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Financial Review

Sonova generated sales of CHF 3,606 million, up 5.9% in local currencies and broadly flat in Swiss francs. Normalized Group EBITA reached CHF 811.2 million, up 17.3% in local currencies and 3.7% in Swiss francs, reflecting improved operational performance. Reported EBITA rose by 7.7% in local currencies and declined by 5.8% in Swiss francs, totaling CHF 724.2 million.



On 23 March 2026, Sonova announced that, following a strategic portfolio review, Sonova intends to divest its Consumer Hearing business. As a result, the business is classified as discontinued operations, and the relevant comparative figures for the 2024/25 financial year have been restated accordingly. Figures and growth rates refer to continuing operations and exclude the Consumer Hearing business, unless otherwise stated. In addition, the Hearing Instruments business will be referred to as the Wholesale business, and the Audiological Care business as the Retail business, from this point forward. These terms will be used consistently throughout the report.

Strong market share gains, driven by successful product launches

In the 2025/26 financial year, Sonova Group sales reached CHF 3,605.9 million, up 5.9% in local currencies and down 0.2% when translated into Swiss francs. Momentum remained strong throughout the year. Growth in the Hearing Instruments segment (combined Wholesale and Retail business) accelerated in the second half against a stronger comparison base in the prior-year period, driven by successful product launches and solid execution. The Cochlear Implants business faced continued headwinds, particularly in China, resulting in lower sales for the year. Organic growth for the Group was 5.4%, while acquisitions in the reporting period, along with the full-year effect of previous acquisitions, contributed 0.5% to total sales growth. Exchange rate effects negatively impacted reported sales by CHF 221.0 million, reducing growth in Swiss francs by 6.1 percentage points. On a pro forma basis, including discontinued operations, sales were up 5.5% in local currencies.

Sales by regions

in CHF m	2025/26			2024/25 restated ¹⁾	
	Sales	Share	Growth in local currencies	Sales	Share
EMEA	1,904.2	53%	4.8%	1,868.4	52%
USA	1,093.7	30%	9.1%	1,106.5	31%
Americas (excl. USA)	263.9	7%	7.1%	267.0	7%
Asia/Pacific	344.1	10%	1.4%	371.0	10%
Total sales	3,605.9	100%	5.9%	3,612.9	100%

¹⁾ Comparative information restated for discontinued operations. Refer to Note 6.3

Growth across all regions

Sales in Europe, Middle East, and Africa (EMEA) increased by 4.8% in local currencies. Growth benefited from sustained market share gains driven by Sonova's successful product launches, along with bolt-on acquisitions, mainly in Germany, Italy, and France.

In the United States, sales rose by 9.1% in local currency, driven by market share gains in the Wholesale business across the commercial market and in the U.S. Department of Veterans Affairs (VA), with Sonova expanding its leading position following the successful Virto R Infinio launch. Sales in the Cochlear Implants segment were impacted in the second half-year by a competitor's product launch.

Sales in the rest of the Americas (excluding the USA) rose 7.1% in local currencies, led by substantial market share gains in the Wholesale business and the expansion of the Retail business store network in both Canada and Brazil.

Sales in the Asia Pacific (APAC) region rose by 1.4% in local currencies. Both the Wholesale and Retail businesses posted strong growth in Australia and Japan. The Retail business in China delivered double-digit growth. The Cochlear Implants business continued to face headwinds in China following the introduction of volume-based procurement (VBP).

Sonova Group key figures

in CHF m unless otherwise specified	2025/26	2024/25 restated ¹⁾	Change in Swiss francs	Change in local currencies
Sales	3,605.9	3,612.9	(0.2%)	5.9%
Gross profit	2,658.3	2,684.4	(1.0%)	5.8%
EBITA ²⁾	724.2	768.3	(5.8%)	7.7%
EBIT ²⁾	675.8	719.8	(6.1%)	7.9%
Basic earnings per share (CHF) from continuing operations	9.02	9.37	(3.8%)	13.6%
Basic earnings per share (CHF) incl. discontinued operations	7.23	9.07	(20.3%)	(4.2%)
Operating free cash flow ²⁾	519.1	581.7	(10.8%)	
ROCE ²⁾	19.0%	19.9%		
EBITA (normalized) ²⁾	811.2	782.1	3.7%	17.3%
EBITA margin (normalized)	22.5%	21.6%		
Basic earnings per share (CHF) from continuing operations (normalized) ²⁾	10.42	10.43	(0.1%)	16.0%

¹⁾ Comparative information restated for discontinued operations. Refer to Note 6.3

²⁾ For details see table "Reconciliation of non-GAAP financial measures".

Significant improvement in profitability

Normalized figures and growth rates in these results exclude items that are not reflective of the Group's underlying operating performance. For more details, please refer to the "Reconciliation of non-GAAP financial measures" table at the end of the Financial Review. These items include:

- M&A related costs: In the 2025/26 financial year, transaction and integration costs related to acquisitions amounted to CHF 0.6 million (2024/25: CHF 7.5 million).
- Legal and legacy items: The Group incurred CHF 28.2 million in legal costs (2024/25: CHF 6.3 million) related to patent-litigation fees and settlement. The reassessment of product liability provisions for a legacy product in the Cochlear Implants segment resulted in costs of CHF 23.6 million.
- Software assets: As part of the strategic review, software assets were reassessed to ensure they align with the company's future direction. Certain software assets were found to be unlikely to deliver the economic benefits originally anticipated. This led to a non-cash impairment charge of CHF 34.7 million.
- Tax impacts: Impacts from tax reforms increased reported income taxes by CHF 3.6 million (2024/25: CHF 49.5 million).

Overall, normalizations in the period primarily reflect non-recurring legal, legacy, and strategic items, with lower acquisition-related costs.

Gross profit amounted to CHF 2,658.3 million, up 5.8% in local currencies but down 1.0% in Swiss francs. Growth was supported by higher volume and positive ASP development in the Wholesale and Retail businesses. While the initial ramp-up and regionalization of Sonova's manufacturing and logistics footprint resulted in elevated costs in the first half-year, they delivered sustainable improvements by year-end. The gross profit margin reached 73.7%, down by 0.1 percentage points in local currencies or 0.6 percentage points in Swiss francs.

Excluding acquisition-related amortization, reported operating expenses were CHF 1,934.1 million (2024/25: CHF 1,916.1 million). Normalized operating expenses before acquisition-related amortization rose by 1.1% in local currencies but declined by 2.9% in Swiss francs to CHF 1,847.1 million (2024/25: CHF 1,902.2 million). Cost-efficiency initiatives in the Retail business undertaken in the 2024/25 financial year contributed to positive operating leverage. The Group continued to invest in innovation, with research and development (R&D) expenses before acquisition-related amortization up by 3.8% in local currencies to CHF 217.7 million.

Normalized sales and marketing costs before acquisition-related amortization increased by 1.5% in local currencies to CHF 1,287.5 million, representing 35.7% of sales (2024/25: 36.9%). This resulted in significant operating leverage, with continued investments in lead generation in the Retail business. Normalized general and administration costs before acquisition-related amortization increased by 0.2% in local currencies, reaching CHF 343.6 million or 9.5% of sales (2024/25: 9.8%). Other income was CHF 1.8 million (2024/25: CHF 0.2 million).

Normalized operating profit before acquisition-related amortization (EBITA) rose by 17.3% in local currencies and 3.7% in Swiss francs, reaching CHF 811.2 million (2024/25: CHF 782.1 million). This included restructuring costs of CHF 16.7 million (2024/25: CHF 43.9 million). The normalized EBITA margin was 22.5%, up 2.3 percentage points in local currencies and 0.8 percentage points in Swiss francs. The strong headwind from exchange rate developments reduced normalized EBITA by CHF 106.5 million and margin by 1.5 percentage points. On a pro forma basis, including discontinued operations, normalized EBITA would have been up 14.5% in local currencies. Reported EBITA increased by 7.7% in local currencies and declined 5.8% in Swiss francs, totaling CHF 724.2 million (2024/25: CHF 768.3 million). Acquisition-related amortization was CHF 48.3 million (2024/25: CHF 48.5 million).

Reported operating profit (EBIT) amounted to CHF 675.8 million (2024/25: CHF 719.8 million), up 7.9% in local currencies and down 6.1% in Swiss francs. Net financial expenses, including associates, were CHF 34.1 million (2024/25: CHF 35.5 million), with non-cash mark-to-market adjustments and realized losses on financial investments offset by a gain on the disposal of an investment in associates. Income taxes amounted to CHF 95.7 million (2024/25: CHF 119.4 million). Basic earnings per share (EPS) from continuing operations reached CHF 9.02, up 13.6% in local currencies and down 3.8% in Swiss francs. Normalized EPS from continuing operations rose 16.0% in local currency terms and remained flat in Swiss francs at CHF 10.42.

Following the decision to divest the Consumer Hearing business, this business is classified as discontinued operations. The loss after tax from discontinued operations amounted to CHF 106.5 million (2024/25: CHF 17.9 million). This is attributable to the operating result of the business as well as non-cash impairments related to the planned divestment of the business. Basic earnings per share (EPS), including discontinued operations, was CHF 7.23.

Hearing Instruments segment – Strong sales growth and acceleration in the second half

Sales in the Hearing Instruments segment totaled CHF 3,353.8 million, reflecting an increase of 7.5% in local currencies and 1.4% in Swiss francs. Organic sales growth was 6.9%, while acquisitions contributed an additional 0.6% equating to CHF 18.7 million.

Sales in the Wholesale business reached CHF 1,861.8 million, up 9.5% in local currencies. Growth was driven by strong market reception of Infinio Ultra, which built on the success of the Infinio and Infinio Sphere™ platforms, and of Virto R Infinio. As a result, the business significantly expanded its market share globally and achieved double-digit growth in the second half-year, on a much higher comparison base from the prior-year period, reflecting the strong momentum.

The Retail business reported sales of CHF 1,491.9 million, representing an increase of 5.1% in local currencies. Organic growth reached 3.8%. Reinvesting a portion of cost savings from measures implemented in the 2024/25 financial year into targeted lead-generation initiatives contributed to above-market growth. Acquisitions lifted sales by 1.3% (including the full-year effect of prior year acquisitions), mainly in Germany, Australia, and Canada.

Sales by business – Hearing Instruments segment

in CHF m	2025/26			2024/25 restated ¹⁾	
	Sales	Share	Growth in local currencies	Sales	Share
Wholesale business	1,861.8	56%	9.5%	1,821.4	55%
Retail business	1,491.9	44%	5.1%	1,487.5	45%
Total Hearing Instruments segment	3,353.8	100%	7.5%	3,308.9	100%

¹⁾ Comparative information restated for discontinued operations. Refer to Note 6.3

Normalized EBITA rose by 20.6% in local currencies to CHF 793.7 million (2024/25: CHF 747.5 million), corresponding to a margin of 23.7% (2024/25: 22.6%). Reported EBITA for the Hearing Instruments segment was CHF 758.4 million, up 17.1% in local currencies.

Cochlear Implants segment – Continued headwinds

Sales in the Cochlear Implants segment totaled CHF 252.1 million, a decline of 11.1% in local currencies and 17.1% in Swiss francs. System sales were down 10.3% in local currencies. The business in China was substantially hampered by challenges following the introduction of volume-based procurement (VBP). Developed markets saw increased competitive pressure following a product launch by the largest competitor in the second half-year. Excluding China, system sales were up 0.7% in local currencies. Sales of upgrades and accessories were down by 13.1% in local currencies, as many recipients have already adopted the Marvel sound processor technology introduced in 2021.

Sales by product groups – Cochlear Implants segment

in CHF m	2025/26			2024/25	
	Sales	Share	Growth in local currencies	Sales	Share
Cochlear implant systems	179.6	71%	(10.3%)	214.9	71%
Upgrades and accessories	72.5	29%	(13.1%)	89.0	29%
Total Cochlear Implants segment	252.1	100%	(11.1%)	303.9	100%

Normalized EBITA reached CHF 17.2 million (2024/25: CHF 34.6 million), representing a margin of 6.8% (2024/25: 11.4%). Strict cost control and the weaker US dollar only partly offset negative operating leverage associated with lower sales. Reported EBITA loss for the Cochlear Implants segment amounted to CHF 34.6 million and includes legal costs and the increase in a legacy product liability provision mentioned above.

Cash flow

Cash flow from operating activities totaled CHF 734.5 million (2024/25: CHF 790.3 million). The development was driven by adverse currency impacts and the phasing of tax payments, while changes in working capital were stable versus the prior year. Operating free cash flow reached CHF 519.1 million (2024/25: CHF 581.7 million). This reflects lower cash outflows related to net purchases of tangible and intangible assets of CHF 102.0 million (2024/25: CHF 130.1 million) and higher net investments in financial assets.

Cash consideration for acquisitions amounted to CHF 45.5 million (2024/25: CHF 71.9 million), reflecting the continued expansion of the retail network through bolt-on acquisitions. In summary, this resulted in a free cash flow of CHF 473.7 million (2024/25: CHF 509.8 million). The cash outflow from financing activities was CHF 451.3 million, which includes the dividend payment of CHF 262.3 million, repayments of lease liabilities of CHF 72.0 million, and a net outflow from borrowings of CHF 26.7 million.

Balance sheet

Cash and cash equivalents stood at CHF 721.9 million compared to CHF 686.9 million at the end of the 2024/25 financial year. Capital employed reached CHF 3,519.4 million compared to CHF 3,578.7 million at the end of the 2024/25 financial year.

The Group's equity of CHF 2,635.8 million represents an equity ratio of 46.8% compared to 45.0% at the end of the 2024/25 financial year. The net debt position decreased to CHF 994.3 million compared to CHF 1,102.4 million at the end of the 2024/25 financial year. The net debt/EBITDA ratio reached 1.1x compared to 1.2x at the end of the 2024/25 financial year. The return on capital employed (ROCE) reached 19.0% compared to 19.9% in the prior year.

Outlook 2026/27

Sonova is entering the 2026/27 financial year from a position of strength, executing its renewed strategy presented in March 2026 and building on strong momentum in sales and earnings. The Group expects a gradual market recovery through the year, with overall market growth of 2% – 4% for the financial year, improving toward the mid-term assumption of 3% – 5%.

In Wholesale, Sonova expects to continue to outperform the market, supported by upcoming product launches including a new platform, and by the Group's leadership in AI-enabled hearing performance. In Retail, the Group anticipates robust organic growth, further supported by value-accretive M&A contributions and an accelerated pace of new store openings. The Cochlear Implants business is expected to face headwinds in the first half, with an anticipated pick-up in the second half following the planned launch of a new sound processor, subject to regulatory approvals.

Continued growth and disciplined cost management will help fund investments in strategic initiatives across operations, R&D, IT systems, and the development of Asia-focused solutions, while continuing to deliver operating leverage. The outlook is based on current market sentiment and growth trends in the hearing care market and assumes no material disruptions beyond those known at publication.

For the 2026/27 financial year, Sonova expects consolidated sales to rise by 5% – 8% and core EBIT to grow by 7% – 10% at constant exchange rates.

Reconciliation of non-GAAP financial measures

1 April to 31 March, CHF million									
	Income statement as reported	Acquisition related amortization	Income statement EBITA separation	Tax reforms	Transaction and integration costs	Litigation costs	Reassessment of product liability	Impairment of software	2025/26 Income statement normalized
Sales	3,605.9		3,605.9						3,605.9
Cost of sales	(947.6)		(947.6)						(947.6)
Gross profit	2,658.3		2,658.3						2,658.3
Research and development	(217.7)		(217.7)						(217.7)
Sales and marketing	(1,336.0)	48.3	(1,287.7)		0.2				(1,287.5)
General and administration	(406.9)		(406.9)		0.5	28.2		34.7	(343.6)
Other income / (expenses), net	(21.8)		(21.8)				23.6		1.8
Operating profit before acquisition-related amortization (EBITA)¹⁾			724.2		0.6	28.2	23.6	34.7	811.2
Acquisition-related amortization		(48.3)	(48.3)						(48.3)
Operating profit (EBIT)²⁾	675.8		675.8		0.6	28.2	23.6	34.7	762.9
Income after taxes from continuing operations	546.0		546.0	3.6	0.6	24.4	23.6	31.2	629.4
Basic earnings per share (CHF)	9.02		9.02	0.06	0.01	0.41	0.40	0.52	10.42

¹⁾ Earnings before financial result, share of profit/(loss) in associates/joint ventures, taxes and acquisition-related amortization (EBITA).

²⁾ Earnings before financial result, share of profit/(loss) in associates/joint ventures and taxes (EBIT).

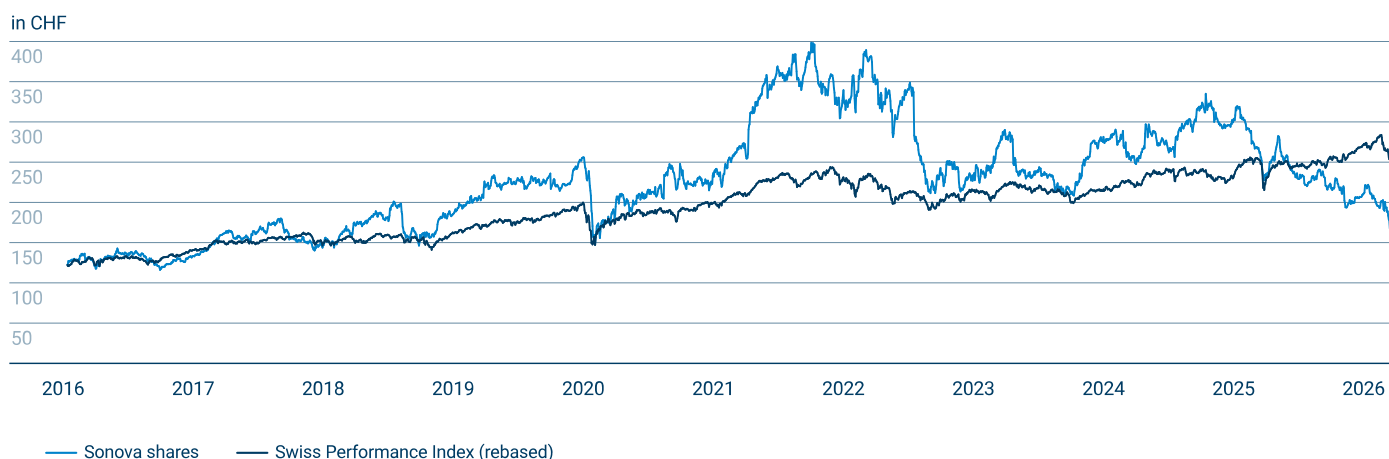
1 April to 31 March, CHF million								2024/25 restated ¹⁾
	Income statement as reported	Acquisition related amortization	Income statement EBITA separation	Tax reforms	Transaction and integration costs	Litigation costs	Income statement normalized	
Sales	3,612.9		3,612.9				3,612.9	
Cost of sales	(928.5)		(928.5)				(928.5)	
Gross profit	2,684.4		2,684.4				2,684.4	
Research and development	(214.3)		(214.3)				(214.3)	
Sales and marketing	(1,382.2)	48.5	(1,333.7)		0.5		(1,333.2)	
General and administration	(368.3)		(368.3)		7.0	6.3	(355.0)	
Other income / (expenses), net	0.2		0.2				0.2	
Operating profit before acquisition-related amortization (EBITA)²⁾			768.3		7.5	6.3	782.1	
Acquisition-related amortization		(48.5)	(48.5)				(48.5)	
Operating profit (EBIT)³⁾	719.8		719.8		7.5	6.3	733.6	
Income after taxes from continuing operations	564.9		564.9	49.5	7.1	6.3	627.8	
Basic earnings per share (CHF)	9.37		9.37	0.83	0.12	0.11	10.43	

¹⁾ Comparative information restated for discontinued operations. Refer to Note 6.3

²⁾ Earnings before financial result, share of profit/(loss) in associates/joint ventures, taxes and acquisition-related amortization (EBITA).

³⁾ Earnings before financial result, share of profit/(loss) in associates/joint ventures and taxes (EBIT).

Share price development – Sonova versus Swiss Performance Index (rebased)



Share price performance history¹⁾

	10 years	5 years	3 years	2 years	1 year
Sonova shares	102.1%	32.5%	4.3%	(32.6%)	(2.8%)
Swiss Performance Index (SPI) ²⁾	88.3%	37.4%	10.2%	(0.6%)	6.2%
Sonova shares relative to the SPI	13.8%	(4.8%)	(5.9%)	(32.0%)	(9.0%)

¹⁾ Performance of the Sonova shares and SPI refers to the respective period prior to the last trading day of the 2024/25 financial year.

²⁾ The Swiss Performance Index (SPI) is considered Switzerland's overall stock market index. It comprises practically all of the SIX Swiss Exchange-traded equity securities of companies that are domiciled in Switzerland or the Principality of Liechtenstein.

Five Year Key Figures

1 April to 31 March, in CHF million unless otherwise specified	2025/26	2024/25 restated	2023/24	2022/23	2021/22
Sales	3,605.9	3,612.9	3,626.9	3,738.4	3,363.9
change compared to previous year (%)	(0.2)	(0.4)	(3.0)	11.1	29.3
Gross profit	2,658.3	2,684.4	2,610.4	2,637.4	2,460.7
in % of sales	73.7	74.3	72.0	70.5	73.1
Research & development costs	217.7	214.3	237.5	243.0	230.0
in % of sales	6.0	5.9	6.5	6.5	6.8
Sales & marketing costs	1,287.7	1,333.7	1,290.4	1,263.1	1,095.3
in % of sales	35.7	36.9	35.6	33.8	32.6
Operating profit before acquisition-related amortization (EBITA)	724.2	768.3	727.0	801.6	802.9
in % of sales	20.1	21.3	20.0	21.4	23.9
Operating profit before acquisition-related amortization (EBITA) (normalized)¹⁾	811.2	782.1	747.7	824.8	830.9
in % of sales (normalized)	22.5	21.6	20.6	22.1	24.7
Operating profit (EBIT)	675.8	719.8	669.9	746.7	760.0
in % of sales	18.7	19.9	18.5	20.0	22.6
Income after taxes from continuing operations	546.0	564.9	609.5	658.3	663.6
Basic earnings per share (CHF) from continuing operations	9.02	9.37	10.08	10.75	10.42
Basic earnings per share (CHF) from continuing operations (normalized) ¹⁾	10.42	10.43	9.70	10.93	10.57
Basic earnings per share (CHF) incl. discontinued operations	7.23	9.07	10.08	10.75	10.42
Dividend/distribution per share (CHF)	4.70²⁾	4.40	4.30	4.60	4.40
Net debt³⁾	994.3	1,102.4	1,359.5	1,495.9	1,006.3
Net working capital ⁴⁾	250.4	115.0	93.2	89.5	(15.0)
Capital expenditure (tangible and intangible assets) ⁵⁾	102.7	131.6	128.6	154.3	106.6
Capital employed ⁶⁾	3,519.4	3,578.7	3,850.9	3,727.3	3,439.1
Total assets	5,628.8	5,924.2	5,791.8	5,552.5	5,588.2
Equity	2,635.8	2,664.6	2,491.3	2,231.4	2,432.8
Equity financing ratio (%) ⁷⁾	46.8	45.0	43.0	40.2	43.5
Free cash flow ⁸⁾	473.7	509.8	437.6	274.4	167.6
Operating free cash flow⁹⁾	519.1	581.7	539.2	535.6	763.7
Return on capital employed (%)¹⁰⁾	19.0	19.9	17.7	20.8	24.1
Number of employees (end of period) including discontinued operations	18,447	17,990	18,151	17,608	16,733

The Consumer Hearing business is presented as discontinued operation in the Annual Report 2025/26 and comparative figures for 2024/25 in the consolidated income statement, cash flow statement and key figures have been restated unless otherwise specified.

¹⁾ Non-GAAP financial measure adjusted for nonrecurring items; for details see the table "Reconciliation of non-GAAP financial measures" in the financial review or refer to the respective annual report.

²⁾ Proposal to the Annual General Shareholders' Meeting of 16 June 2026.

³⁾ Cash and cash equivalents + other current financial assets (without loans) – current financial liabilities – current lease liabilities – non-current financial liabilities – non-current lease liabilities.

⁴⁾ Receivables (incl. loans) + inventories – trade payables – current income tax liabilities – short-term contract liabilities – other short-term liabilities – short-term provisions.

⁵⁾ Excluding goodwill and intangibles relating to acquisitions.

⁶⁾ Equity + net debt.

⁷⁾ Equity in % of total assets.

⁸⁾ Cash flow from operating activities + cash flow from investing activities + payments for lease liabilities.

⁹⁾ Free cash flow – cash consideration for acquisitions and from divestments, net of cash acquired/divested - cash consideration for associates.

¹⁰⁾ EBIT in % of capital employed (average).

Consolidated financial statements

Consolidated income statement

1 April to 31 March, in CHF million	Notes	2025/26	2024/25 restated ¹⁾
Sales	2.2, 2.3	3,605.9	3,612.9
Cost of sales		(947.6)	(928.5)
Gross profit		2,658.3	2,684.4
Research and development		(217.7)	(214.3)
Sales and marketing ²⁾		(1,336.0)	(1,382.2)
General and administration		(406.9)	(368.3)
Other income	2.5	4.1	0.2
Other expenses	2.5	(25.9)	0.0
Operating profit (EBIT)³⁾		675.8	719.8
Financial income	4.2	11.7	5.6
Financial expenses	4.2	(87.6)	(46.6)
Share of profit/(loss) in associates/joint ventures, net and gain on disposal of associate	6.2	41.8	5.4
Income before taxes from continuing operations		641.7	684.3
Income taxes	5.1	(95.7)	(119.4)
Income after taxes from continuing operations		546.0	564.9
Loss after tax from discontinued operations	6.3	(106.5)	(17.9)
Income after taxes		439.4	547.0
Attributable to:			
Equity holders of the parent		430.6	540.5
Non-controlling interests		8.9	6.4
Earnings per share from continuing operations (CHF)			
Basic earnings per share	2.4	9.02	9.37
Diluted earnings per share	2.4	9.01	9.34
Earnings per share (CHF)			
Basic earnings per share	2.4	7.23	9.07
Diluted earnings per share	2.4	7.22	9.04

¹⁾ Comparative information restated for discontinued operations. Refer to Note 6.3

²⁾ Includes acquisition-related amortization of CHF 48.3 million (previous year: CHF 48.5 million) in "Sales and marketing". EBITA (Earnings before financial result, share of profit/(loss) in associates/joint ventures, taxes and acquisition-related amortization) amounts to CHF 724.2 million (previous year: CHF 768.3 million). Refer to Note 2.1

³⁾ Earnings before financial result, share of profit/(loss) in associates/joint ventures and taxes (EBIT).

The Notes are an integral part of the consolidated financial statements.

Consolidated statement of comprehensive income

1 April to 31 March, in CHF million	Notes	2025/26	2024/25
Income after taxes		439.4	547.0
Other comprehensive income			
Actuarial (loss)/gain from defined benefit plans, net	7.3	(3.1)	4.1
Tax effect on actuarial result from defined benefit plans, net		0.5	(0.6)
Items that will never be reclassified to the income statement		(2.6)	3.5
Currency translation differences		(180.4)	(79.9)
Tax effect on currency translation items		1.5	4.1
Items that may be reclassified subsequently to the income statement		(178.9)	(75.8)
Other comprehensive income, net of tax		(181.4)	(72.3)
Total comprehensive income		258.0	474.7
Attributable to:			
Equity holders of the parent		250.7	468.2
Non-controlling interests		7.3	6.5

The Notes are an integral part of the consolidated financial statements.

Consolidated balance sheet

Assets CHF million	Notes	31 March 2026	31 March 2025
Cash and cash equivalents	4.1	721.9	686.9
Other current financial assets	4.4	11.0	12.2
Trade receivables	3.1	527.3	576.9
Current income tax receivables		10.4	7.2
Inventories	3.2	381.0	468.5
Other current operating assets	3.6	170.8	159.6
Assets held for sale	6.3	261.2	
Total current assets		2,083.6	1,911.3
Property, plant and equipment	3.3	361.7	379.6
Right-of-use assets	3.4	230.7	238.0
Intangible assets and goodwill	3.5	2,621.0	2,984.6
Investments in associates/joint ventures	6.2	9.1	18.6
Other non-current financial assets	4.4	103.9	64.4
Other non-current operating assets	3.6	8.0	7.0
Retirement benefit asset	7.3	13.1	19.7
Deferred tax assets	5.1	197.8	301.0
Total non-current assets		3,545.2	4,012.9
Total assets		5,628.8	5,924.2
Liabilities and equity CHF million			
	Notes	31 March 2026	31 March 2025
Current financial liabilities	4.5	121.7	373.8
Current lease liabilities	3.4	68.2	68.7
Trade payables		177.1	269.0
Current income tax liabilities		120.1	176.3
Short-term contract liabilities	2.3	97.7	117.4
Other short-term operating liabilities	3.8	355.1	376.4
Short-term provisions	3.7	98.3	118.5
Liabilities directly associated with assets held for sale	6.3	150.5	
Total current liabilities		1,188.5	1,500.1
Non-current financial liabilities	4.5	1,355.5	1,205.8
Non-current lease liabilities	3.4	172.7	179.9
Long-term provisions	3.7	67.1	66.6
Long-term contract liabilities	2.3	139.5	146.0
Retirement benefit obligation	7.3	8.6	14.8
Deferred tax liabilities	5.1	61.0	126.3
Total non-current liabilities		1,804.4	1,739.5
Total liabilities		2,992.9	3,239.6
Share capital	4.6	3.0	3.0
Treasury shares		(45.6)	(5.6)
Retained earnings and reserves		2,656.5	2,667.2
Equity attributable to equity holders of the parent		2,613.9	2,664.6
Non-controlling interests		22.0	20.0
Equity		2,635.8	2,684.6
Total liabilities and equity		5,628.8	5,924.2

The Notes are an integral part of the consolidated financial statements.

Consolidated cash flow statement

1 April to 31 March, in CHF million	Notes	2025/26	2024/25 restated ¹⁾
Income before taxes from continuing operations		641.7	684.3
Depreciation, amortization and impairment of tangible and intangible assets and right-of-use assets	3.3, 3.4, 3.5	260.3	232.6
Loss on sale of tangible and intangible assets, net		0.7	3.3
Share of profit/(loss) in associates/joint ventures, net and gain on disposal of associate	6.2	(41.8)	(5.4)
Increase (decrease) in long-term provisions and long-term contract liabilities		9.4	(20.6)
Financial (income)/expenses, net excl. cash flow from management of foreign currencies and exchange (gains)/losses		55.6	23.5
Share based payments	7.4	19.3	20.4
Other non-cash items		(12.5)	16.4
Income taxes paid		(132.9)	(98.8)
Cash flow before changes in net working capital		799.6	855.7
Increase in trade receivables		(29.7)	(50.4)
Increase in other receivables and prepaid expenses		(20.3)	(24.1)
Decrease/(increase) in inventories		31.0	(60.0)
Decrease/(increase) in trade payables		(52.5)	71.5
Increase/(decrease) in other payables, accruals, short-term provisions and short-term contract liabilities		6.3	(2.3)
Cash flow from operating activities from continuing operations		734.5	790.3
Cash flow from operating activities from discontinued operations	6.3	(27.0)	3.4
Total cash flow from operating activities		707.5	793.7
Purchase of property, plant and equipment	3.3	(81.4)	(83.9)
Purchase of intangible assets	3.5	(21.3)	(47.8)
Proceeds from sale of tangible and intangible assets		0.7	1.6
Cash consideration for acquisitions, net of cash acquired	6.1	(45.5)	(71.9)
Payments for other financial assets		(102.0)	(21.0)
Repay./proceeds from other financial assets and disposal of invest. in assoc.		63.2	17.7
Interest received		4.2	3.6
Cash flow from investing activities from continuing operations		(182.1)	(201.6)
Cash flow from investing activities from discontinued operations	6.3	(10.1)	(11.1)
Total cash flow from investing activities		(192.2)	(212.7)
Proceeds from borrowings	4.5	360.2	
Repayment of borrowings	4.5	(386.9)	(0.9)
Repayment of lease liabilities	4.5	(72.0)	(71.9)
Sale of treasury shares	4.6	5.7	29.2
Purchase of treasury shares	4.6	(63.1)	(67.3)
Dividends paid to shareholders of Sonova Holding AG		(262.3)	(256.2)
Dividends to non-controlling interests		(5.3)	(7.4)
Interest paid		(27.6)	(25.2)
Cash flow from financing activities from continuing operations		(451.3)	(399.7)
Cash flow from financing activities from discontinued operations	6.3	(1.7)	(2.1)
Total cash flow from financing activities		(452.9)	(401.8)
Effect of exchange rates changes on cash and cash equivalents		(10.6)	(5.9)
Increase in cash and cash equivalents		51.8	173.3
Cash and cash equivalents at the beginning of the financial year		686.9	513.6
Total cash and cash equivalents at the end of the financial year		738.7	686.9
- thereof presented in the balance sheet		721.9	
- thereof included within assets held for sale		16.7	

¹⁾ Comparative information restated for discontinued operations. Refer to Note 6.3
The Notes are an integral part of the consolidated financial statements.

Consolidated statement of changes in equity

CHF million

	Attributable to equity holders of Sonova Holding AG					Non-controlling interests	Total equity
	Share capital	Retained earnings	Translation adjustment ¹⁾	Treasury shares			
Balance 1 April 2024	3.0	3,082.9	(611.7)	(3.8)	20.9	2,491.3	
Income after taxes		540.5			6.4	547.0	
Actuarial gain/(loss) from defined benefit plans, net		4.1				4.1	
Tax effect on actuarial result		(0.6)				(0.6)	
Currency translation differences			(80.0)		0.1	(79.9)	
Tax effect on currency translation			4.1			4.1	
Total comprehensive income		544.0	(75.9)		6.5	474.7	
Share-based payments		4.3		15.4		19.6	
Sale/transfer of treasury shares ²⁾		(20.3)		50.1		29.8	
Purchase of treasury shares				(67.3)		(67.3)	
Dividend paid		(256.2)			(7.4)	(263.6)	
Balance 31 March 2025	3.0	3,354.8	(687.6)	(5.6)	20.0	2,684.6	
Balance 1 April 2025	3.0	3,354.8	(687.6)	(5.6)	20.0	2,684.6	
Income after taxes		430.6			8.9	439.4	
Actuarial gain/(loss) from defined benefit plans, net		(3.1)				(3.1)	
Tax effect on actuarial result		0.5				0.5	
Currency translation differences			(178.8)		(1.6)	(180.4)	
Tax effect on currency translation			1.5			1.5	
Total comprehensive income		428.0	(177.3)		7.3	258.0	
Share-based payments		3.9		13.9		17.8	
Sale/transfer of treasury shares ²⁾		(3.1)		9.3		6.2	
Purchase of treasury shares				(63.1)		(63.1)	
Dividend paid		(262.3)			(5.3)	(267.6)	
Balance 31 March 2026	3.0	3,521.4	(864.9)	(45.6)	22.0	2,635.8	

¹⁾ The translation adjustment as of 31 March 2026 includes CHF 7.3 million related to assets and directly associated liabilities classified as held for sale. Refer to Note 6.3

²⁾ In relation to long-term equity incentive plans.

The Notes are an integral part of the consolidated financial statements.

Notes to the consolidated financial statements as of 31 March 2026

1. Basis for preparation

1.1 Corporate information

The Sonova Group (the "Group") is a global leader in innovative hearing care solutions: from personal audio devices and wireless communication systems to audiological care services, hearing aids and cochlear implants. The Group's globally diversified sales and distribution channels serve an ever growing consumer base in more than 100 countries. The ultimate parent company is Sonova Holding AG, a limited liability company incorporated in Switzerland. Sonova Holding AG's registered office is located at Laubisrütistrasse 28, 8712 Stäfa, Switzerland.

1.2 Basis of consolidated financial statements

The consolidated financial statements of the Group for the reporting period 1 April 2025 to 31 March 2026 have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) and comply with Swiss law. The consolidated financial statements were prepared under the historical cost convention except for the revaluation of certain financial assets at market value. The consolidated financial statements were authorized for issue by the Board of Directors of Sonova Holding AG on 13 May 2026 and are subject to approval by the Annual General Shareholders' Meeting on 16 June 2026.

The consolidated financial statements are presented in millions of Swiss Francs (CHF) and rounded to the nearest hundred thousand. Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the presented rounded amounts.

The consolidated financial statements include Sonova Holding AG as well as the domestic and foreign subsidiaries over which Sonova Holding AG exercises control. A list of the significant consolidated companies is given in [Note 7.6](#).

Accounting policies of relevance for an understanding of the consolidated financial statements are set out in the specific notes to the financial statements.

Consumer Hearing business classified as discontinued operation

On 23 March 2026, Sonova announced that following a strategic portfolio review it intends to divest its Consumer Hearing business. The business is classified as discontinued operation as of 31 March 2026. In accordance with IFRS 5, the "Consolidated income statement" and the "Consolidated cash flow statement" for the 2024/25 financial year have been restated for discontinued operations (Refer to [Note 6.3](#)). The "Consolidated statement of comprehensive income", the "Consolidated balance sheet" and the "Consolidated statement of changes in equity" for the 2024/25 financial year are not restated.

1.3 Significant accounting judgments and estimates

Preparation of financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and related disclosures. This includes estimates and assumptions in the ordinary course of business as well as non-recurring events such as the outcome of pending legal disputes. The estimates and assumptions are continuously evaluated and are based on experience and other factors, including expectations of future events that are believed to be reasonable. Actual results may differ from these estimates and assumptions.

The main estimates and assumptions with a significant risk of resulting in a material adjustment within the next financial year are described in the following notes:

Description	Further information
Allocation of the transaction price to performance obligations	Note 2.3: Revenue
Renewal options in leases	Note 3.4: Leases
Capitalization of development costs	Note 3.5: Intangible assets
Impairment test	Note 3.5: Intangible assets
Provisions for warranty, returns and product liabilities	Note 3.7: Provisions
Fair value of financial liabilities at fair value through profit or loss	Note 4.8: Financial instruments
Deferred tax assets	Note 5.1: Taxes
Business combinations	Note 6.1: Acquisitions/disposals of subsidiaries
Discontinued operations and associated fair value measurement	Note 6.3: Discontinued operations
Defined benefit plans	Note 7.3: Employee benefits

1.4 Changes in accounting policies

In the 2025/26 financial year the Group adopted the following new IFRS Accounting Standards, interpretations and amendments to existing ones, without having a significant impact on the Group's result and financial position:

- Lack of Exchangeability – Amendments to IAS 21

The Group has assessed the expected impacts of the new and revised standards and interpretations that will be effective for the financial year starting 1 April 2026. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions. The Group is also assessing other new and revised standards which are not mandatory until after 2026.

IFRS 18 "Presentation and Disclosure in Financial Statements": The new standard on presentation and disclosure in financial statements. The key new concepts introduced in IFRS 18 relate to the structure of the statement of profit or loss, required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. The Group is still in the process of assessing the impact of the new accounting standard that will become effective from 1 April 2027, particularly with respect to the structure of the Group's consolidated income statement, consolidated cash flow statement and the additional disclosures required.

2. Operating result

2.1 Income statement reconciliation

The Group presents the "Consolidated income statement" based on a classification of costs by function and is continuously amending its business portfolio with acquisitions, resulting in acquisition-related intangibles (see section "Intangible assets" in [Note 3.5](#)) and related amortization charges. To calculate EBITA¹⁾, which is the key profit metric for internal (refer to [Note 2.2](#)) as well as external purposes, acquisition-related amortization is separated from the individual functions as disclosed below.

1 April to 31 March, CHF million	2025/26		
	Income statement as reported	Acquisition related amortization	Income statement EBITA separation
Sales	3,605.9		3,605.9
Cost of sales	(947.6)		(947.6)
Gross profit	2,658.3		2,658.3
Research and development	(217.7)		(217.7)
Sales and marketing	(1,336.0)	48.3	(1,287.7)
General and administration	(406.9)		(406.9)
Other income / (expenses), net	(21.8)		(21.8)
Operating profit before acquisition-related amortization (EBITA)¹⁾			724.2
Acquisition-related amortization		(48.3)	(48.3)
Operating profit (EBIT)²⁾	675.8		675.8

¹⁾ Earnings before financial result, share of profit/(loss) in associates/joint ventures, taxes and acquisition-related amortization (EBITA).

²⁾ Earnings before financial result, share of profit/(loss) in associates/joint ventures and taxes (EBIT).

1 April to 31 March, CHF million	2024/25 restated ¹⁾		
	Income statement as reported	Acquisition related amortization	Income statement EBITA separation
Sales	3,612.9		3,612.9
Cost of sales	(928.5)		(928.5)
Gross profit	2,684.4		2,684.4
Research and development	(214.3)		(214.3)
Sales and marketing	(1,382.2)	48.5	(1,333.7)
General and administration	(368.3)		(368.3)
Other income / (expenses), net	0.2		0.2
Operating profit before acquisition-related amortization (EBITA)²⁾			768.3
Acquisition-related amortization		(48.5)	(48.5)
Operating profit (EBIT)³⁾	719.8		719.8

¹⁾ Comparative information restated for discontinued operations. Refer to [Note 6.3](#)

²⁾ Earnings before financial result, share of profit/(loss) in associates/joint ventures, taxes and acquisition-related amortization (EBITA).

³⁾ Earnings before financial result, share of profit/(loss) in associates/joint ventures and taxes (EBIT).

2.2 Segment information

Information by business segments

The Group is active in the two segments, hearing instruments and cochlear implants, which are reported separately to the Group's chief operating decision maker (Chief Executive Officer). The financial information that is provided to the Group's chief operating decision maker, which is used to allocate resources and to assess the performance, is primarily based on sales analysis as well as consolidated income statements and other key financial metrics for the two segments. The Group uses EBITA as a key metric to measure profit or loss for both segments (refer to [Note 2.1](#)). Transactions between segments are based on market terms.

Following the classification of the Consumer Hearing business as a disposal group and discontinued operation as of 31 March 2026 (refer to [Note 6.3](#)), the business is no longer included in the Hearing Instruments segment. Comparative income statement figures have been restated accordingly.

Hearing Instruments:

This operating segment includes the activities of the design, development, manufacture, distribution and service of hearing instruments and related products. Research and development is centralized in Switzerland while some supporting activities are also performed in Canada and Germany. Production is concentrated with production centers located in Switzerland, China, Mexico and Vietnam – with technologically advanced production processes being performed in Switzerland and standard product assembly being located in Asia and Mexico. Most of the marketing activities are steered by the brand marketing departments in Switzerland, Canada, the United States and Germany. The execution of marketing campaigns lies with the sales organizations in each market. Product distribution is done through sales organizations in the individual markets. The distribution channels of the Group vary in the individual markets depending on the sales strategy and the characteristics of the countries. The distribution channels can be split broadly into a retail business where Sonova operates its own store network and sells directly to end consumers and a hearing instruments business, reflecting the wholesale sales to independent audiologists, 3rd party retail chains, multinational and government customers.

Cochlear Implants:

This operating segment includes the activities of the design, development, manufacture, distribution and service of hearing implants and related products. The segment consists of Advanced Bionics and the related sales organizations. Research and development as well as marketing activities of Advanced Bionics are centralized predominantly in the United States and Switzerland while production resides in the United States and Mexico. The distribution of products is effected through sales organizations in the individual markets.

in CHF million	2025/26	2024/25 restated ¹⁾	2025/26	2024/25 restated ¹⁾	2025/26	2024/25 restated ¹⁾	2025/26	2024/25 restated ¹⁾
	Hearing Instruments		Cochlear Implants		Corporate / Eliminations		Total	
Segment sales	3,365.7	3,317.2	253.7	307.5			3,619.4	3,624.7
Intersegment sales	(11.9)	(8.2)	(1.6)	(3.6)			(13.5)	(11.8)
Sales	3,353.8	3,309.0	252.1	303.9			3,605.9	3,612.9
Cost of sales	(862.3)	(818.7)	(99.1)	(121.6)	13.8	11.9	(947.6)	(928.5)
Operating profit before acquisition-related amortization (EBITA)	758.7	740.0	(34.6)	28.4	0.0	0.0	724.2	768.3
Depreciation and amortization	(203.3)	(232.6)	(22.3)	(25.2)			(225.6)	(257.8)
Impairment ²⁾	(34.7)						(34.7)	
Segment assets	4,292.1	5,084.8	546.7	573.9	(400.1)	(741.0)	4,438.7	4,917.7
Unallocated assets ³⁾							928.8	1,006.4
Assets held for sale							261.2	
Total assets							5,628.8	5,924.2

¹⁾ Comparative information restated for discontinued operations (except for segment assets). Refer to Note 6.3

²⁾ Relates to impairment of software. Refer to Note 3.5

³⁾ Unallocated assets include cash and cash equivalents, other current financial assets (excluding loans), investments in associates/joint ventures and deferred tax assets.

Reconciliation of reportable segment profit CHF million	2025/26	2024/25 restated ¹⁾
EBITA	724.2	768.3
Acquisition-related amortization	(48.3)	(48.5)
Financial costs, net	(75.9)	(40.9)
Share of profit/(loss) in associates/joint ventures, net and gain on disposal of associate	41.8	5.4
Income before taxes from continuing operations	641.7	684.3

¹⁾ Comparative information restated for discontinued operations. Refer to Note 6.3

Entity-wide disclosures

Sales and selected non-current assets by regions CHF million	2025/26	2024/25 restated ¹⁾	2025/26	2024/25
Country / region	Sales ²⁾		Selected non-current assets ³⁾	
Switzerland	28.6	27.5	147.9	211.2
EMEA (excl. Switzerland)	1,875.6	1,840.9	1,439.0	1,656.0
USA	1,093.7	1,106.5	933.8	1,022.7
Americas (excl. USA)	263.9	267.0	242.3	252.7
Asia/Pacific	344.1	371.0	467.6	485.2
Total	3,605.9	3,612.9	3,230.5	3,627.9

¹⁾ Comparative information restated for discontinued operations. Refer to Note 6.3

²⁾ Sales based on location of customers.

³⁾ Total of property, plant & equipment, right-of-use assets, intangible assets and goodwill, investments in associates/joint ventures and other non-current operating assets.

As common in this industry, the Sonova Group has a large number of customers. There is no single customer who accounts for more than 10% of total sales.

2.3 Revenue

The Group generates revenue primarily from the sale of hearing instruments, cochlear implants and related services. The following provides a disaggregation of the sales by business and the timing of revenue recognition:

Sales by business CHF million	2025/26	2024/25 restated¹⁾
Wholesale business	1,861.8	1,821.4
Retail business	1,491.9	1,487.5
Total Hearing Instruments segment	3,353.8	3,308.9
Cochlear Implant systems	179.6	214.9
Upgrades and accessories	72.5	89.0
Total Cochlear Implants segment	252.1	303.9
Total sales	3,605.9	3,612.9

¹⁾ Comparative information restated for discontinued operations. Refer to Note 6.3

Timing of revenue recognition CHF million	2025/26	2024/25 restated¹⁾
At point in time	3,464.5	3,446.4
Over time	141.4	166.5
Total sales	3,605.9	3,612.9

¹⁾ Comparative information restated for discontinued operations. Refer to Note 6.3

The following table summarizes the contract assets and contract liabilities related to contracts with customers:

Contract balances CHF million	31 March 2026	31 March 2025
Contract assets	13.2	11.7
Contract liabilities	237.1	263.4

Contract liabilities relate to advance consideration received from customers for the Group's various services, such as extended warranties, loss and damage and battery plans. In addition to the contract liabilities, the Group also recognizes contract assets that relate to loss and damage services. Contract assets are presented within other operating assets (refer to [Note 3.6](#)) in the consolidated balance sheet.

Significant changes in the contract liabilities during the period are as follows:

Movement in contract liabilities CHF million	2025/26	2024/25
Balance April 1	263.4	281.5
Changes through business combinations		0.1
Increase due to advance consideration received in the period	134.1	154.9
Decrease due to revenue recognized in the period that,		
- was included in the contract liabilities at the beginning of the period	(115.2)	(129.5)
- relates to consideration received in the period	(31.1)	(36.9)
Reversals	(0.0)	(0.2)
Exchange differences	(14.1)	(6.5)
Balance 31 March	237.1	263.4
Expectation on timing of revenue recognition:		
Within 1 year	97.7	117.4
Within 2 years	53.6	56.7
Within 3 years	42.5	46.9
Within 4 years	21.4	20.5
More than 4 years	21.9	21.9

No material revenue was recognized in the current period from performance obligations satisfied in previous periods.

Accounting policies

The Group recognizes revenue at point in time when control of the products is transferred to the buyer, mainly upon delivery. The transaction price is adjusted for any variable elements, such as rebates and discounts. For retail customers, revenue recognition usually occurs after fitting of the device or when the trial period lapses. For hearing instruments sold in bundled packages (i.e. including accessories and services), the transaction price is allocated to each performance obligation on the basis of the relative stand-alone selling price of all performance obligations in the contract.

For cochlear implants, sales are generally recognized at point in time when control of the products is transferred to the buyer (mainly hospitals), either at delivery or after surgery.

When the customer has a right to return the product within a given period, the amount of revenue is adjusted for expected returns, which are estimated based on historical product return rates. A return provision for the expected returns is recognized as an adjustment to revenue. In addition, an asset for the right to recover returned goods is recognized, measured by reference to the carrying amount, which is presented as part of other current operating assets.

The Group also offers various services, such as extended warranties, loss and damage and battery plans. Revenue for these services is predominantly recognized on a straight-line basis over the service period. In the majority of countries in which the Group operates, the standard warranty period is two years and the extended warranty covers periods beyond the second year. Loss and damage is offered in some, but not all countries, in which the Group operates. This service assures replacement of hearing instruments that are not covered by the warranty. In some countries, the Group reinsures loss and damage. Insurance costs are capitalized as contract assets and are recognized as cost of sales over the loss and damage service period.

Payment terms vary significantly across countries and also depend on whether the customer is a private or public customer.

Accounting judgements and estimates

In order to allocate the transaction price to each performance obligation in a contract, management estimates the standalone selling price of the products and services at contract inception. Mostly, the standalone selling price is based on established price lists. For loss and damage services, management considers the likelihood of a customer claim in the calculation of the standalone selling price.

If the sum of the standalone selling prices of a bundle of goods or services exceeds the consideration in a contract, the discount is allocated proportionally to all of the performance obligations in the contract unless there is observable evidence that the discount relates to only one or some of the performance obligations.

2.4 Earnings per share

	2025/26	2024/25 restated ¹⁾
Basic earnings per share		
Income after taxes attributable to equity holders of the parent (CHF million)	430.6	540.5
- From continuing operations	537.1	558.5
- From discontinued operations	(106.5)	(17.9)
Weighted average number of outstanding shares	59,573,473	59,599,343
Basic earnings per share (CHF)	7.23	9.07
- From continuing operations	9.02	9.37
- From discontinued operations	(1.79)	(0.30)

¹⁾ Comparative information restated for discontinued operations. Refer to Note 6.3

	2025/26	2024/25 restated ¹⁾
Diluted earnings per share		
Income after taxes attributable to equity holders of the parent (CHF million)	430.6	540.5
- From continuing operations	537.1	558.5
- From discontinued operations	(106.5)	(17.9)
Weighted average number of outstanding shares	59,573,473	59,599,343
Adjustment for dilutive share awards	52,314	184,069
- From continuing operations	52,038	183,443
- From discontinued operations	277	626
Adjusted weighted average number of outstanding shares	59,625,787	59,783,412
- From continuing operations	59,625,511	59,782,786
- From discontinued operations	59,573,750	59,599,969
Diluted earnings per share (CHF)	7.22	9.04
- From continuing operations	9.01	9.34
- From discontinued operations	(1.79)	(0.30)

¹⁾ Comparative information restated for discontinued operations. Refer to Note 6.3

Accounting policies

Basic earnings per share is calculated by dividing the income after taxes attributable to the ordinary equity holders of the parent company by the weighted average number of shares outstanding during the year.

In the case of diluted earnings per share, the weighted average number of shares outstanding is adjusted assuming all outstanding dilutive awards from share participation plans will be exercised. For the option plans, the weighted average number of shares is adjusted for all dilutive options issued under the stock option plans which have not yet been exercised. Options that are out-of-the-money (compared to average share price) are not considered. The calculation of diluted earnings per share is based on the same income after taxes for the period as is used in calculating basic earnings per share.

2.5 Other income/expenses

In the 2025/26 financial year, the net result of other income and expense amounted to CHF –21.8 million (previous year: CHF 0.2 million). This mainly relates to the reassessment of product liabilities. Changes in the assessments of the expected number and cost of current and future claims led to an increase of CHF 25.9 million as well as a separate reversal of CHF 2.3 million (previous year: reversal of CHF 0.2 million). Refer to [Note 3.7](#).

3. Operating assets and liabilities

3.1 Trade receivables

CHF million	31 March 2026	31 March 2025
Trade receivables	554.5	602.5
Loss allowance for doubtful receivables	(27.2)	(25.6)
Total	527.3	576.9

The reduction in trade receivables primarily relates to the classification of the Consumer Hearing business as held for sale as at 31 March 2026 (refer to [Note 6.3](#)).

As is common in this industry, the Sonova Group has a large number of customers. There is no significant concentration of credit risk.

For further information on the aging of the trade receivables and related allowances, please refer to [Note 4.7](#).

During the 2025/26 financial year, the Group utilized CHF 4.2 million (previous year CHF 7.1 million) of the loss allowance for doubtful receivables to write-off receivables.

The carrying amounts of trade receivables are denominated in the following currencies:

CHF million	31 March 2026	31 March 2025
BRL	30.3	26.4
CAD	24.6	26.2
CHF	10.7	9.2
EUR	216.5	217.5
GBP	13.4	22.4
USD	154.8	182.5
Other	77.1	92.8
Total trade receivables, net	527.3	576.9

Accounting policies

Trade receivables are initially recorded at the transaction price and subsequently measured at amortized cost using the effective interest method, less loss allowance (see [Note 4.7](#)). The charges to the income statement are included in general and administration costs. Due to the short-term nature of trade receivables, their carrying amount is considered to approximate their fair value.

3.2 Inventories

CHF million	31 March 2026	31 March 2025
Raw materials and components	59.8	85.5
Work-in-process	157.6	145.6
Finished products	219.2	303.8
Allowances	(55.6)	(66.5)
Total	381.0	468.5

The reduction in inventories reflects improved operational efficiency, as well as the classification of the Consumer Hearing business as held for sale as at 31 March 2026 (refer to [Note 6.3](#)).

The “cost of sales” corresponding to the carrying value of inventory (which excludes outbound freight, packaging, logistics as well as certain overhead cost) amounted in the 2025/26 financial year to CHF 776.9 million (previous year CHF 782.4 million, restated for discontinued operations). The Group recognized write-downs of CHF 24.9 million (previous year CHF 20.4 million, restated for discontinued operations) on inventories in cost of sales.

Accounting policies

Purchased raw materials, components and finished goods are valued at the lower of cost or net realizable value. To evaluate cost, the standard cost method is applied, which approximates historical cost determined on a first-in first-out basis.

Manufactured finished goods and work-in-process are valued at the lower of production cost or net realizable value. Standard costs take into account normal levels of materials, supplies, labor, efficiency, and capacity utilization. Standard costs are regularly reviewed and, if necessary, revised in the light of current conditions. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion (where applicable) and selling expenses.

Allowances are established for slow moving, phase out and obsolete stock.

3.3 Property, plant and equipment

CHF million					2025/26
	Land & buildings	Machinery & technical equipment	Room installations & other equipment	Advance payments & assets under construction	Total
Cost					
Balance 1 April	225.2	358.8	439.8	34.8	1,058.6
Changes through business combinations		0.2	0.5		0.7
Additions	2.8	27.2	38.4	18.7	87.0
Disposals	(0.3)	(14.0)	(26.4)	(0.6)	(41.3)
Transfers		3.0	7.4	(10.4)	
Exchange differences	(3.0)	(12.5)	(19.7)	(1.0)	(36.2)
Transferred to assets held for sale	(2.1)	(18.7)	(11.5)	(2.6)	(34.9)
Balance 31 March	222.6	344.1	428.4	38.9	1,033.9
Accumulated depreciation					
Balance 1 April	(113.0)	(282.3)	(283.7)		(679.0)
Depreciation	(9.0)	(26.9)	(39.2)		(75.1) ¹⁾
Disposals	0.2	13.7	25.6		39.6
Exchange differences	1.5	9.2	12.1		22.8
Transferred to assets held for sale	0.5	12.0	6.8		19.3
Balance 31 March	(119.8)	(274.2)	(278.3)		(672.3)
Net book value					
Balance 1 April	112.2	76.5	156.2	34.8	379.6
Balance 31 March	102.8	69.9	150.1	38.9	361.7

¹⁾ Depreciation includes CHF 6.2 million related to discontinued operations.

CHF million	2024/25				
	Land & buildings	Machinery & technical equipment	Room installations & other equipment	Advance payments & assets under construction	Total
Cost					
Balance 1 April	221.2	346.1	419.3	37.8	1,024.4
Changes through business combinations	0.1	1.2	2.7		4.0
Additions	4.4	22.7	44.0	18.8	89.9
Disposals	(1.6)	(9.7)	(24.6)		(36.0)
Transfers	3.3	5.1	9.4	(17.8)	
Exchange differences	(2.2)	(6.6)	(10.9)	(4.0)	(23.7)
Balance 31 March	225.2	358.8	439.8	34.8	1,058.6
Accumulated depreciation					
Balance 1 April	(107.4)	(269.5)	(267.1)		(644.2)
Depreciation	(7.9)	(26.0)	(40.5)		(74.4)
Disposals	1.4	9.3	20.2		30.8
Exchange differences	1.0	3.9	3.8		8.8
Balance 31 March	(113.0)	(282.3)	(283.7)		(679.0)
Net book value					
Balance 1 April	113.8	76.6	152.2	37.6	380.2
Balance 31 March	112.2	76.5	156.2	34.8	379.6

Accounting policies

Property, plant and equipment is valued at purchase or manufacturing cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the expected useful lifetime of the individual assets or asset categories. Where an asset comprises several parts with different useful lifetimes, each part of the asset is depreciated separately over its applicable useful lifetime.

The applicable useful lifetimes are 25 – 40 years for buildings and 3 – 10 years for production facilities, machinery, equipment, and vehicles. Land is not depreciated. Leasehold improvements are depreciated over the shorter of useful life or lease term.

Subsequent expenditure on an item of tangible assets is capitalized at cost only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Expenditure for repair and maintenance, which does not increase the estimated useful lifetimes of the related assets are recognized as an expense in the period in which they are incurred.

The Group assesses at each reporting date, whether there is any indication, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated. If the recoverable amount is lower than carrying amount, an impairment loss is recognized.

3.4 Leases

Right-of-use assets CHF million			2025/26
	Buildings	Vehicles and other assets	Total
Cost			
Balance 1 April	339.5	9.8	349.3
Changes through business combinations	6.0		6.0
Additions	73.9	3.1	77.0
Disposals	(14.1)	(0.6)	(14.7)
Exchange differences	(16.7)	(0.7)	(17.4)
Transferred to assets held for sale	(5.1)	(0.2)	(5.4)
Balance 31 March	383.4	11.4	394.8
Accumulated depreciation			
Balance 1 April	(105.7)	(5.5)	(111.3)
Depreciation	(70.4)	(2.9)	(73.3)
Disposals	14.1	0.6	14.7
Exchange differences	5.4	0.2	5.7
Transferred to assets held for sale	0.1	0.0	0.1
Balance 31 March	(156.4)	(7.6)	(164.1)
Net book value			
Balance 1 April	233.7	4.3	238.0
Balance 31 March	226.9	3.8	230.7

Right-of-use assets CHF million			2024/25
	Buildings	Vehicles and other assets	Total
Cost			
Balance 1 April	317.0	9.1	326.1
Changes through business combinations	1.3		1.3
Additions	49.0	1.7	50.7
Disposals	(16.8)	(0.6)	(17.4)
Exchange differences	(11.0)	(0.4)	(11.3)
Balance 31 March	339.5	9.8	349.3
Accumulated depreciation			
Balance 1 April	(52.8)	(3.7)	(56.5)
Depreciation	(71.7)	(2.5)	(74.2)
Disposals	16.8	0.6	17.4
Exchange differences	1.9	0.1	2.0
Balance 31 March	(105.7)	(5.5)	(111.3)
Net book value			
Balance 1 April	264.2	5.4	269.6
Balance 31 March	233.7	4.3	238.0

Lease liabilities CHF million	2025/26	2024/25
Balance 1 April	248.6	279.1
Changes through business combinations	6.0	1.3
Additions	77.0	50.7
Interest expense	6.9	7.2
Payments ¹⁾	(80.0)	(80.4)
Exchange differences	(11.7)	(9.2)
Transferred to liabilities directly associated with assets held for sale	(5.9)	
Balance 31 March	240.9	248.6
thereof short-term	68.2	68.7
thereof long-term	172.7	179.9

¹⁾ Payments includes CHF 1.3 million (previous year: CHF 1.7 million) related to discontinued operations.

The maturity analysis of lease liabilities is disclosed in [Note 4.7](#)

Lease disclosures CHF million	2025/26	2024/25 restated ¹⁾
Expenses relating to short-term leases	7.0	12.9
Expenses relating to leases of low-value assets (excluding short-term leases of low-value assets)	0.0	0.0
Expenses relating to variable lease payments	4.6	5.7

¹⁾ Comparative information restated for discontinued operations. Refer to Note 6.3

The total cash outflow for leases in the financial year 2025/26 amounted to CHF 91.7 million (prior year CHF 99.0 million). The future lease payments relating to variable lease payments amount to CHF 4.6 million (prior year CHF 5.7 million).

Accounting policies

The group leases buildings for retail stores as well as for office, laboratory, manufacturing and storage use. The leasing terms vary significantly across countries. The leases of office space typically run for a period of up to 10 years, and leases of retail stores typically for a period of 3 to 5 years. Leases of vehicles and other assets have an average lease term of 3.7 years (prior year: 3.6 years). Some leases include an option to renew the lease for an additional period after the end of the contract term.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and, subsequently at cost less accumulated depreciation and impairment losses and also includes adjustments for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date and are discounted using the Group's incremental borrowing rate if the interest rate implicit in the lease is not readily determinable. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured when there is a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Accounting judgements and estimates

The Group uses judgement to determine the lease term for some lease contracts which include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term which significantly affects the amount of lease liabilities and right-of-use assets recognized. Extension options and termination options are re-assessed only when a significant event or change in circumstances occurs that is within the control of the Group and affects whether it is reasonably certain to exercise an option.

3.5 Intangible assets

CHF million					2025/26
	Goodwill	Intangibles relating to acquisitions ¹⁾	Capitalized development costs	Software and other intangibles	Total
Cost					
Balance 1 April	2,543.2	919.6	268.7	216.2	3,947.7
Changes through business combinations	28.2	11.5		0.0	39.7
Additions			17.5	3.8	21.3
Disposals		(2.8)		(5.4)	(8.1)
Transfers		0.8		(0.8)	0.0
Exchange differences	(148.0)	(42.4)	(8.2)	(3.5)	(202.0)
Transferred to assets held for sale	(16.0)	(155.5)		(1.4)	(173.0)
Balance 31 March	2,407.4	731.3	277.9	209.0	3,625.6
Accumulated amortization and impairments					
Balance 1 April	(135.7)	(514.0)	(182.0)	(131.3)	(963.1)
Amortization		(57.5) ²⁾	(16.8)	(20.4)	(94.6) ³⁾
Disposals		2.7		5.3	8.0
Impairment				(34.7)	(34.7)
Exchange differences	12.5	23.9	1.8	2.9	41.1
Transferred to assets held for sale		37.4		1.3	38.7
Balance 31 March	(123.1)	(507.5)	(197.0)	(177.0)	(1,004.6)
Net book value					
Balance 1 April	2,407.5	405.6	86.6	84.9	2,984.6
Balance 31 March	2,284.2	223.8	80.9	32.0	2,621.0

¹⁾ Intangibles relating to acquisitions consists of customer relationships (CHF 152.9 million), trademarks (CHF 66.3 million) and technology (CHF 4.5 million).

²⁾ Relates to research and development (CHF 1.5 million) and sales and marketing (CHF 56.0 million).

³⁾ Amortization includes CHF 9.4 million related to discontinued operations.

CHF million					2024/25
	Goodwill	Intangibles relating to acquisitions ¹⁾	Capitalized development costs	Software and other intangibles	Total
Cost					
Balance 1 April	2,558.4	920.7	250.8	190.2	3,920.1
Changes through business combinations	52.0	23.2		0.1	75.3
Additions			19.6	28.1	47.7
Disposals		0.0		(0.6)	(0.6)
Exchange differences	(67.3)	(24.3)	(1.7)	(1.6)	(94.9)
Balance 31 March	2,543.2	919.6	268.7	216.2	3,947.7
Accumulated amortization and impairments					
Balance 1 April	(138.9)	(469.2)	(163.7)	(109.7)	(881.5)
Amortization		(57.8) ²⁾	(18.7)	(23.3)	(99.8)
Disposals		0.0		0.5	0.5
Exchange differences	3.2	13.0	0.3	1.1	17.7
Balance 31 March	(135.7)	(514.0)	(182.0)	(131.3)	(963.1)
Net book value					
Balance 1 April	2,419.6	451.5	87.1	80.5	3,038.6
Balance 31 March	2,407.5	405.6	86.6	84.9	2,984.6

¹⁾ Intangibles relating to acquisitions consists of customer relationships (CHF 221.6 million), trademarks (CHF 175.7 million) and technology (CHF 8.3 million).

²⁾ Relates to research and development (CHF 1.5 million) and sales and marketing (CHF 56.3 million).

In the 2025/26 financial year, an impairment was recognized in the amount of CHF 34.7 million on certain software that will no longer deliver the economic benefits originally anticipated.

Based on the impairment tests performed, there was no need for the recognition of any impairment of goodwill for the 2025/26 and 2024/25 financial years related to continuing operations.

The cash flow projections used for impairment testing, were based on the most recent business plan. The business plan was projected over a five year period.

Hearing instruments

As of 31 March 2026, the carrying amount of goodwill, expressed in various currencies, amounted to an equivalent of CHF 2,026.5 million (prior year CHF 2,123.6 million). In the prior year, intangible assets further included intangible assets with indefinite useful lives in the amount of CHF 98.2 million related to the Sennheiser brand. The intangible asset was transferred to assets held for sale during FY 2025/26 (refer to [Note 6.3](#)).

Cash flows beyond the projection period were extrapolated with a long-term growth rate of 2.1% (prior year 2.1%) which represents the projected inflation rate. For the calculation, a pre-tax weighted average discount rate of 10.9% (prior year 9.6%) was used. The Group performed a sensitivity analysis, which shows that changes to the main input parameters (increase of discount rate +1%, or long-term growth rate -1%) would not result in an impairment of goodwill.

Cochlear implants

As of 31 March 2026, the carrying amount of the goodwill, expressed in various currencies, amounted to an equivalent of CHF 257.8 million (prior year CHF 284.0 million).

Cash flows beyond the projection period were extrapolated with a long-term growth rate of 2.2% (prior year 2.1%) which represents the projected inflation rate. For the calculation, a pre-tax weighted average discount rate of 9.8% (prior year 9.0%) was used. The Group performed a sensitivity analysis, which shows that changes to the main input parameters (increase of discount rate +1%, or long-term growth rate -1%) would not result in an impairment of goodwill.

The capitalized development costs are reviewed on a regular basis. In the current financial year this review did not lead to any valuation adjustments. The capitalized development costs are included in the reportable segment "cochlear implants" disclosed in [Note 2.2](#).

Accounting policies

Goodwill

Goodwill is recognized for any difference between the cost of the business combination and the net fair value of the identifiable assets, liabilities, and contingent liabilities (refer to accounting policies in [Note 6.1](#)). Goodwill is not amortized, but is assessed for impairment annually, or more frequently if events or changes in circumstances indicate that its value might be impaired. For the purpose of impairment testing, goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the corresponding business combination. For the Group, a meaningful goodwill allocation can only be done at the level of the segments, hearing instruments and cochlear implants. This also reflects the level that the goodwill is monitored by management. To assess for impairment, the recoverable amount of cash-generating units are compared to the carrying amount. The carrying amount is determined based on a value-in-use calculation considering a five-year cash flow projection period and extrapolated using a terminal value for cash flows beyond the planning period. The cash flow projections are estimated on the basis of the strategic plan approved by the Board of Directors. Future cash flows are discounted with the Weighted Average Cost of Capital (WACC).

Intangibles, excluding goodwill

Purchased intangible assets such as software, licenses and patents are measured at cost less accumulated amortization (applying the straight-line method) and any impairment in value. Software is amortized over a useful lifetime of 3 – 5 years. Intangibles relating to acquisitions of subsidiaries (excluding goodwill) consist generally of technology, client relationships, customer lists, and brand names, and are amortized over a period of 3 – 20 years. Other intangible assets are generally amortized over a period of 3 – 10 years. For capitalized development costs in the cochlear implants segment, amortization starts when the capitalized asset is ready for use, which is generally after receipt of approval from regulatory bodies. These assets are amortized over the estimated useful lifetime of 2 – 7 years applying the straight-line method. For in-process capitalized development costs, these capitalized costs are tested annually for impairment. Except for goodwill (and in the prior year the Sennheiser brand), the Sonova Group has no intangible assets with an indefinite useful life.

Research costs are expensed as incurred. Development costs are capitalized only if the identifiable asset is commercially and technically feasible, can be completed, its costs can be measured reliably and will generate probable future economic benefits. Group expenditures, which fulfill these criteria are limited to the development of tooling and equipment as well as costs related to the development of cochlear implants. All other development costs are expensed as incurred. In addition to the internal costs (direct personnel and other operating costs, depreciation on research and development equipment and allocated occupancy costs), total costs also include externally contracted development work. Such capitalized intangibles are recognized at cost less accumulated amortization and impairment losses.

Accounting judgements and estimates

Goodwill and intangible assets with indefinite useful lives

The recoverable amount of cash-generating units is measured on the basis of value-in-use calculations and as such is significantly impacted by the projected cash flows, the discount rate, and the long-term growth rate, which are subject to management judgment. Actual cash flows as well as other input parameters could vary significantly from these estimates.

Capitalized development costs

The Group capitalizes costs relating to the development of cochlear implants. The capitalized development costs are reviewed on a regular basis as a matter of a standard systematic procedure. In determining the commercial as well as the technical feasibility, management judgment may be required.

3.6 Other operating assets

Other current operating assets CHF million	31 March 2026	31 March 2025
Other receivables	113.1	89.1
Prepaid expenses	41.3	53.8
Contract assets	5.2	4.7
Right to recover products	11.2	12.0
Total	170.8	159.6
<hr/>		
Other non-current operating assets CHF million	31 March 2026	31 March 2025
Contract assets	8.0	7.0
Total	8.0	7.0

The largest individual items included in other receivables are recoverable value added taxes and deposits. Prepaid expenses mainly consist of advances to suppliers. Contract assets relate to reinsurance of loss and damage services and rights to recover returned goods relate to hearing instrument sales with a right of return (refer to [Note 2.3](#)).

3.7 Provisions

CHF million					2025/26
	Warranty and returns	Reimbursement to customers	Product liabilities	Other provisions	Total
Balance 1 April	117.8	12.6	28.4	26.3	185.1
Changes through business combinations	0.0			0.2	0.2
Amounts used	(50.2)	(11.1)	(12.8)	(13.0)	(87.0)
Reversals	(20.3)	(1.0)	(2.3)	(7.3)	(30.9)
Increases	79.4	10.5	25.9	16.5	132.3
Exchange differences	(8.4)	(0.9)	(2.7)	(1.2)	(13.1)
Transferred to liabilities directly associated with assets held for sale	(8.3)	(8.0)		(4.8)	(21.2)
Balance 31 March	109.9	2.2	36.5	16.6	165.3
thereof short-term	77.5	2.2	12.6	5.9	98.3
thereof long-term	32.5		23.9	10.7	67.1

CHF million					2024/25
	Warranty and returns	Reimbursement to customers	Product liabilities	Other provisions	Total
Balance 1 April	123.5	11.0	44.8	29.4	208.7
Changes through business combinations	0.2			0.4	0.5
Amounts used	(40.1)	(9.9)	(15.7)	(13.1)	(78.8)
Reversals	(19.7)	(3.7)	(0.2)	(7.4)	(31.0)
Increases	57.6	15.5		17.5	90.6
Present value adjustments			0.5		0.5
Exchange differences	(3.6)	(0.2)	(1.0)	(0.7)	(5.5)
Balance 31 March	117.8	12.6	28.4	26.3	185.1
thereof short-term	87.3	12.4	5.8	13.0	118.5
thereof long-term	30.5	0.2	22.7	13.3	66.6

The reduction in provisions primarily relates to the classification of the Consumer Hearing business as discontinued operations as at 31 March 2026 (refer to [Note 6.3](#)).

Warranty and returns

The provision for warranty and returns considers any costs arising from the warranty given on products sold. In general, the Group grants a 12 to 24 months warranty period for audio devices, hearing instruments and related products and up to 10 years on cochlear implants. The calculation is based on turnover, past experience and projected number and costs of warranty claims and returns.

Reimbursement to customers

The provision for reimbursement to customers considers commitments to provide volume rebates. The provision is based on expected volumes. The large majority of the cash outflows are expected to take place within the next 12 months.

Product liabilities

The provisions for product liabilities mainly relates to the Advanced Bionics voluntary field corrective action regarding cochlear implant products, as announced on 18 February 2020.

The provisions for product liabilities are reassessed on a regular and systematic basis and follow a financial model which is consistently applied. The calculation of the provision is based on past experience regarding the number and cost of current and future claims. In the 2025/26 financial year, changes in the assessments of the expected number and cost of current and future claims led to an increase of CHF 25.9 million as well as a separate reversal of CHF 2.3 million (previous year reversal of CHF 0.2 million). As per 31 March 2026 the provision for product liabilities amount to CHF 36.5 million (previous year CHF 28.4 million). The timing of future cash outflows is uncertain since it will largely depend on the outcome of administrative and legal proceedings. In the case of the voluntary recall of AB products in 2006, considering periods of limitation, claims will have until 2026 to be filed in most jurisdictions. However, depending on the length of proceedings and negotiations, further years may pass until all claims are settled. We expect the main cash outflow relating to the provision for product liabilities to occur within the next 3 years.

Other provisions

Other provisions include provisions for specific business risks such as litigation CHF 0.9 million (prior year CHF 1.0 million) and restructuring costs CHF 3.0 million (prior year CHF 8.9 million). While the timing of the cash outflow from the restructuring provisions is expected to take place within the next 12 months, the cash outflows for the remainder of the other provisions is expected to take place within the next two years.

Accounting policies

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources will be required to settle the obligation, and where a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows.

Accounting judgements and estimates

Provisions are based upon management's best estimate, taking into consideration past experience regarding the number and cost of claims. Management believes that the provisions are adequate based upon currently available information. However, given that judgment has to be applied, the actual costs and results may differ from these estimates.

3.8 Other operating liabilities

Other short-term operating liabilities CHF million	31 March 2026	31 March 2025
Other payables	61.2	76.8
Accrued expenses	292.3	297.7
Deferred income	1.6	2.0
Total	355.1	376.4

Other payables include amounts to be remitted for withholding taxes, value added taxes, social security payments and employees' income taxes deducted at source. Accrued expenses include salaries, social expenses, vacation pay, bonus and incentive compensation as well as accruals for outstanding invoices from suppliers.

3.9 Contingent assets and liabilities

Lawsuits and disputes

In May 2025, Advanced Bionics ("AB") fully resolved via settlement all pending litigation with MED-EL Elektronische Geräte GmbH and MED-EL Corporation, US (together, "MED-EL"). Litigation with MED-EL regarding alleged patent infringement had been ongoing since October 2018, starting in United States District Court for the District of Delaware and later spreading to courts in Germany, the United Kingdom, the Netherlands, the Unified Patent Court in Europe, and the United States International Trade Commission, as well as the United States and European Patent and Trademark Offices. The settlement resolved the pending litigation in all jurisdictions worldwide, and also provided a full release to the parties.

Legal costs in the amount of CHF 28.2 million related to patent-litigation fees and settlement are considered in the income statement in line "General and administration".

4. Capital structure and financial management

4.1 Cash and cash equivalents

CHF million	31 March 2026	31 March 2025
Cash on hand	1.5	1.6
Current bank accounts	540.2	460.1
Term deposits	180.3	225.2
Total	721.9	686.9

Bank accounts and term deposits are mainly denominated in CHF, EUR and USD. The assessment on the credit risk related to cash and cash equivalents is disclosed in [Note 4.7](#).

Accounting policies

Cash and cash equivalents includes cash on hand and cash at banks, bank overdrafts, term deposits and other short-term highly liquid investments with original maturities of three months or less. The consolidated cash flow statement summarizes the movements in cash and cash equivalents.

4.2 Financial income/expenses, net

CHF million	2025/26	2024/25 restated ¹⁾
Interest income	6.2	4.2
Other financial income	5.5	1.5
Total financial income	11.7	5.6
Interest expenses	(21.2)	(19.5)
Interest expenses on lease liabilities	(6.8)	(6.9)
Other financial expenses	(58.9)	(19.6)
Interest and present value adjustments	(0.7)	(0.5)
Total financial expenses	(87.6)	(46.6)
Total financial income / expenses, net	(75.9)	(40.9)

¹⁾ Comparative information restated for discontinued operations. Refer to Note 6.3

Other financial income includes primarily fair value adjustments of financial instruments of CHF 5.1 million (previous year CHF 0.9 million). Other financial expenses includes primarily foreign exchange gains and losses from the management of foreign currencies as well as net losses from the hedging of foreign exchange exposures of CHF 20.4 million (previous year CHF 17.4 million) and non-cash market-to-market adjustments and realized losses on financial investments (listed equity securities) of CHF 36.8 million (previous year: none).

4.3 Dividend per share

The Board of Directors of Sonova Holding AG proposes to the Annual General Shareholders' Meeting, to be held on 16 June 2026, that a dividend of CHF 4.70 per share shall be distributed (previous year CHF 4.40).

4.4 Other financial assets

Other current financial assets

CHF million	31 March 2026			31 March 2025		
	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Total	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Total
Marketable securities		0.1	0.1		0.2	0.2
Positive replacement value of forward foreign exchange contracts		1.8	1.8		1.6	1.6
Loans to third parties	9.1		9.1	10.4		10.4
Total	9.1	1.8	11.0	10.4	1.8	12.2

The Group regularly hedges its net exposure from foreign currency balance sheet positions with forward contracts. Such contracts are not qualified as cash flow hedges and are, therefore, not accounted for using hedge accounting principles. Gains and losses on these transactions are recognized directly in the income statement (refer to [Note 4.7](#)).

Other non-current financial assets

CHF million	31 March 2026			31 March 2025		
	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Total	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Total
Loans to associates	0.5		0.5	0.6		0.6
Loans to third parties	48.6		48.6	57.2		57.2
Rent deposits	3.5		3.5	3.8		3.8
Other non-current financial assets		51.2	51.2		2.9	2.9
Total	52.7	51.2	103.9	61.5	2.9	64.4

The loans are primarily denominated in CAD, CHF, EUR, GBP, JPY, PLN and USD. Loans to third parties consist mainly of loans to customers. As of March 31, 2026, the respective repayment periods vary between one and nine years and the interest rates vary generally between 1% and 5%.

Other non-current financial assets mainly consist of quoted minority investments (equity securities) specific to the hearing aid industry.

Accounting policies

Financial assets are classified into the following categories:

- *Financial assets at amortized cost*
- *Financial assets at fair value through profit or loss (FVPL)*

The classification depends on the business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will be recorded in the income statement.

At initial recognition, the Group measures a financial asset at its fair value. In the case of financial assets at amortized cost, the fair value includes transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

Financial assets at amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in the income statement.

Financial assets at fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortized cost are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in the income statement in the period in which it arises.

4.5 Financial liabilities

As of 31 March 2026, the Group has the following bank loans/bonds outstanding:

Financial liabilities	Carrying amount (CHF million)	Currency	Nominal value	Interest rate	Maturity
Bank loan (credit facility)	103.9	USD	130.0	4.04%	n/a
Bank loan	64.5	CNY	557.0	3.05%	10 September 2026- 10 September 2032
Fixed-rate bond	299.8	CHF	300.0	0.75%	6 October 2028
Fixed-rate bond	199.4	CHF	200.0	1.05%	19 February 2029
Fixed-rate bond	99.9	CHF	100.0	0.00%	11 October 2029
Fixed-rate bond	199.7	CHF	200.0	1.95%	12 December 2030
Fixed-rate bond	249.9	CHF	250.0	1.40%	19 February 2032
Fixed-rate bond	149.6	CHF	150.0	0.93%	6 October 2033
Fixed-rate bond	99.8	CHF	100.0	0.40%	11 October 2034

On 14 July 2025, the Group repaid the US Private Placement in the amount of USD 180 million (CHF 143.5 million).

On 29 September 2025, the Group obtained new financing totaling CNY 600 million (CHF 67.0 million). As of 31 March 2026, the outstanding balance was reduced to CNY 557 million (CHF 64.5 million). The liability is repayable between 10 September 2026 and 10 September 2032 and bears interest at a fixed rate of 3.05%.

On 6 October 2025, the Group repaid a CHF 200 million bond and issued a new fixed-rate bond of CHF 150 million. The new bond was issued at 100% with interest rate of 0.9275% and maturity on 6 October 2033.

Unchanged to 31 March 2025, the Group has access to a credit facility of CHF 400 million until April 2029, an option to increase to CHF 500 million and options to extend by additional two years. As of 31 March 2026 an amount of USD 130 million (CHF 103.9 million) of this credit facility was drawn.

Current financial liabilities

CHF million	31 March 2026			31 March 2025		
	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Total	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Total
Bank debt	114.1		114.1	0.2		0.2
Bond / US Private Placement	4.0		4.0	363.3		363.3
Deferred payments	0.3		0.3	0.4		0.4
Contingent considerations		2.8	2.8		9.5	9.5
Other current financial liabilities		0.4	0.4		0.4	0.4
Total	118.4	3.3	121.7	363.9	9.9	373.8
Unused borrowing facilities			296.1			517.9

Non-current financial liabilities

CHF million	31 March 2026				31 March 2025			
	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Non-financial instruments	Total	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Non-financial instruments	Total
Bank debt	54.6			54.6				
Bonds	1,298.1			1,298.1	1,148.4			1,148.4
Deferred payments	1.4			1.4	1.6			1.6
Contingent considerations		0.6		0.6		52.5		52.5
Other non-current financial liabilities	0.0		0.9	0.9	0.0		3.3	3.3
Total	1,354.1	0.6	0.9	1,355.5	1,150.0	52.5	3.3	1,205.8

Other non-current financial liabilities mainly consist of amounts due in relation to the share appreciation rights (SARs) (refer to [Note 7.4](#)).

Analysis of non-current financial liabilities by currency

Analysis by currency CHF million	31 March 2026				31 March 2025		
	Bank debt	Bonds	Other non-current financial liabilities	Total	Bonds / US Private Placement	Other non-current financial liabilities	Total
CHF		1,298.1	0.1	1,298.2	1,148.4	2.3	1,150.7
CNY	54.6			54.6		6.4	6.4
EUR			0.5	0.5		46.0	46.0
Other			2.3	2.3		2.7	2.7
Total	54.6	1,298.1	2.9	1,355.5	1,148.4	57.4	1,205.8

Reconciliation of liabilities arising from financing activities

Liabilities from financing activities CHF million						2025/26
	Bank debt	Bonds / US Private Placement	Deferred payments and contingent considerations	Lease liabilities	Other financial liabilities	Total
Balance 1 April	0.2	1,511.7	64.0	248.6	3.7	1,828.2
Changes through business combinations			(11.6)	6.0		(5.6)
Additions to lease liabilities				77.0		77.0
Proceeds from borrowings	210.6	149.7				360.2
Repayment of borrowings	(43.4)	(343.5)				(386.9)
Repayment of lease liabilities - principal portion				(68.0)		(68.0)
Repayment of lease liabilities - interest portion				(6.9)		(6.9)
Exchange differences	2.1	(15.1)	(2.5)	(16.9)		(32.3)
Transferred to liabilities directly associated with assets held for sale			(43.2)	(5.9)		(49.0)
Other	(0.8)	(0.7)	(1.6)	6.9	(2.4)	1.4
Balance 31 March	168.6	1,302.1	5.1	240.9	1.3	1,718.1
thereof short-term	114.1	4.0	3.1	68.2	0.4	189.8
thereof long-term	54.6	1,298.1	2.0	172.7	0.9	1,528.3

Liabilities from financing activities CHF million						2024/25
	Bank debt	Bonds / US Private Placement	Deferred payments and contingent considerations	Lease liabilities	Other financial liabilities	Total
Balance 1 April	0.2	1,515.3	73.1	279.1	6.3	1,873.9
Changes through business combinations			(6.2)	1.3		(5.0)
Additions to lease liabilities				50.7		50.7
Repayment of borrowings		(0.9)				(0.9)
Repayment of lease liabilities - principal portion				(73.3)		(73.3)
Repayment of lease liabilities - interest portion				(7.2)		(7.2)
Exchange differences		(3.7)	(1.7)	(9.2)		(14.6)
Other	(0.0)	1.0	(1.2)	7.2	(2.6)	4.4
Balance 31 March	0.2	1,511.7	64.0	248.6	3.7	1,828.2
thereof short-term	0.2	363.3	9.9	68.7	0.4	442.5
thereof long-term		1,148.4	54.1	179.9	3.3	1,385.7

Accounting policies

Financial liabilities are classified as measured at amortized cost or at fair value through profit or loss (FVPL). A financial liability is classified as at FVPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the income statement. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the income statement.

Derivative financial instruments are initially recognized in the balance sheet at fair value and are remeasured as to their current fair value at the end of each subsequent reporting period.

Bonds are initially measured at fair value and direct transaction costs included. In subsequent accounting periods, they are remeasured at amortized costs applying the effective interest method.

Accounting policies for lease liabilities are included in [Note 3.4](#).

4.6 Movement in share capital

Issued registered shares	Issued registered shares	Treasury shares ¹⁾	Outstanding shares
Balance 1 April 2025	59,626,809	(13,587)	59,613,222
Purchase of treasury shares		(225,100)	(225,100)
Sale/transfer of treasury shares		219,862	219,862
Balance 31 March 2025	59,626,809	(18,825)	59,607,984
Purchase of treasury shares		(290,000)	(290,000)
Sale/transfer of treasury shares		86,618	86,618
Balance 31 March 2026	59,626,809	(222,207)	59,404,602
Nominal value of share capital CHF million	Share Capital	Treasury shares¹⁾	Outstanding share capital
Balance 31 March 2026	3.0	(0.0)	3.0

Each share has a nominal value of CHF 0.05.

¹⁾ Treasury shares are purchased on the open market and are not entitled to dividends.

Share capital

As of 31 March 2026, the ordinary share capital of Sonova Holding AG was CHF 2,981,340.45 fully paid up and divided into 59,626,809 registered shares with a par value of CHF 0.05 each.

Capital range

Sonova Holding AG has a capital range of 10% of the share capital from CHF 2,683,206.45 (lower limit) to CHF 3,279,474.45 (upper limit). The Board of Directors shall be authorized within the capital range to increase (by issuing up to 5,962,680 registered shares, each with a nominal value of CHF 0.05) or to reduce the share capital (by cancelling up to 5,962,680 registered shares, each with a nominal value of CHF 0.05) once or several times in amounts or to acquire or dispose of shares directly or indirectly at any time until 12 June 2028 or until an earlier expiry of the capital range. The capital increase or decrease may also be effected by increasing or reducing the nominal value of the existing registered shares. In certain events, as defined in Art. 5 of the Articles of Association, the Board of Directors is authorized to exclude or restrict the subscription rights of existing shareholders and allocate such rights to third parties, the company, or any of its group companies.

The Board of Directors did not make use of this authorization in the 2025/26 financial year.

Conditional capital

The conditional share capital may be increased by a maximum amount of CHF 266,106.65 by issuing 5,322,133 registered shares with a par value of CHF 0.05 per share, which equates to 8.92% of the existing share capital. Out of this conditional share capital, an amount of CHF 101,050.65 (equivalent to 2,021,013 registered shares) may be used for distribution to key employees of the Sonova Group through an equity participation program, under the exclusion of the subscription rights of shareholders. In addition, the amount of CHF 165,056 (equivalent to 3,301,120 registered shares) may be used for exercising option and conversion rights granted in connection with bonds or similar debt instruments issued by the company.

Accounting policies

Ordinary shares are classified as equity. Dividends on ordinary shares are recorded in equity in the period in which they are approved by the parent companies' shareholders.

In case any of the Group companies purchase shares of the parent company, the consideration paid is recognized as treasury shares and presented as a deduction from equity. Any consideration received from the sale of own shares is recognized in equity.

4.7 Risk management

Group risk management

Risk management at Group level is an integral part of business practice and supports the strategic decision-making process. The assessment of risk is derived from both “top-down” and “bottom-up” and covers corporate, all business segments, and all consolidated Group companies. This approach allows for the Group to examine all types of risk exposures caused by internal and external impacts and events, from financial, operational processes, customer and products, management and staff. The risk exposures are managed by specific risk mitigating initiatives, frequent re-evaluations, communication, risk consolidation and prioritization.

The responsibility for the process of risk assessment and monitoring is allocated to the corporate risk function. The Executive Committee, in addition to Group companies and functional managers, supports the annual risk assessment and is responsible for the management of the risk mitigating initiatives. The risk mitigation progress is reviewed by the Audit Committee on a quarterly basis. The Board of Directors discusses and analyzes the Group’s risks at least once a year in the context of a strategy meeting.

Risk of price changes of raw materials or components used for production is limited. A change in those prices would not result in financial effects being above the Group’s risk management tolerance level. Therefore, no sensitivity analysis has been conducted.

The Group aims to ensure cost effective sourcing, while at the same time managing the risk of supply shortages that could lead to a failure to deliver certain products at the quantities required. Wherever feasible, critical components are sourced from multiple suppliers in order to mitigate this risk.

The relationship with suppliers is governed by Sonova’s Group Supplier Principles (SGSP). We regularly audit and visit suppliers and inspect their management capabilities through employee interviews and on-site inspections. Suppliers have to follow all applicable laws and regulations, ensure a healthy and safe working environment and are prohibited from using child labor.

Through its multiple manufacturing sites around the globe, the Group maintains effective options to rebalance its production capacity between different facilities and to shift production where necessary to avoid delivery shortages and to adapt to potential changes of the operating or general environment.

The unpredictable nature of geopolitical events such as international conflicts, trade disputes, political instability, and regulatory changes can have implications for our business operations, supply chain, and market dynamics, potentially leading to increased volatility in business results.

Financial risk management

Due to Sonova Group’s worldwide activities, the Group is exposed to a variety of financial risks such as market risks, credit risks and liquidity risks. Financial risk management aims to limit these risks and seeks to minimize potential adverse effects on the Group’s financial performance. The Group uses selected financial instruments for this purpose. They are exclusively used as hedging instruments for cash in- and outflows and not for speculative positions. The Group does not apply hedge accounting.

The fundamentals of Sonova Group’s financial risk policy are periodically reviewed by the Audit Committee and carried out by the Group finance department. Group finance is responsible for implementing the policy and for ongoing financial risk management.

Market risk

Exchange rate risk

The Group operates globally and is exposed to foreign currency fluctuations, mainly with respect to the US dollar and the Euro. As the Group uses Swiss francs as presentation currency and holds investments in different functional currencies, net assets are exposed to foreign currency translation risk. Additionally, a foreign currency transaction risk exists in relation to future commercial transactions, which are denominated in a currency other than the functional currency.

To minimize foreign currency exchange risks, forward currency contracts are entered into. The Group hedges its net foreign currency exposure based on future expected cash in- and outflows. The hedges have a duration of between 1 and 6 months.

Positive replacement values from forward contract hedges are recorded as financial assets at fair value through profit or loss whereas negative replacement values are recorded as financial liabilities at fair value through profit or loss.

As of 31 March 2026, the Group engaged in forward currency contracts amounting to CHF 277.7 million (previous year CHF 391.3 million). The open contracts on 31 March 2026 as well as on 31 March 2025 were all due within one year.

Forward contracts CHF million	31 March 2026		31 March 2025	
	Notional amount	Fair value	Notional amount	Fair value
Positive replacement values	243.5	1.8	293.7	1.6
Negative replacement values	34.1	(0.4)	97.6	(0.4)
Total	277.7	1.4	391.3	1.3

Exchange rate risk CHF million	2025/26	2024/25	2025/26	2024/25
	Impact on income after taxes ¹⁾		Impact on equity	
Change in USD/CHF +5%	(4.9)	(9.4)	5.7	8.0
Change in USD/CHF -5%	4.9	9.4	(5.7)	(8.0)
Change in EUR/CHF +5%	2.8	5.7	0.0	0.1
Change in EUR/CHF -5%	(2.8)	(5.7)	(0.0)	(0.1)

¹⁾ Excluding the impact of forward currency contracts.

Interest rate risk

The Group has only limited exposure to interest rate changes. The most substantial interest exposure on assets relates to cash and cash equivalents with an average interest-bearing amount for the 2025/26 financial year of CHF 521.3 million (previous year CHF 351.4 million). If interest rates during the 2025/26 financial year had been 1% higher, the positive impact on income before taxes would have been CHF 1.7 million. If interest rates had been 1% lower, the income before taxes would have been negatively impacted by CHF 1.7 million. The Group's long-term financial liabilities are at fixed rate and thus not subject to interest rate risk.

Credit risk

Financial assets, which could expose the Group to a potential concentration in credit risk, are principally cash and bank balances, receivables from customers and loans.

Core banking relations are maintained with at least "A-" rated (S & P) financial institutions. As of 31 March 2026 the largest balance with a single counterparty amounted to 28% (previous year 19%) of total cash and cash equivalents.

The Group performs frequent credit checks on its receivables. Due to customer diversity, there is no single credit limit for all customers, however, the Group assesses its customers based on their financial position, past experience, and other factors. Due to the fragmented customer base (no single customer balance is greater than 10% of total trade accounts receivable), the Group is not exposed to any significant concentration risk. The same applies to loans to third and related parties. As part of the normal process, management held the regular Expected Credit Loss (ECL) Committee meeting to review the expected credit loss rates on an annual basis in February 2026.

Impairment of financial assets

Impairment losses on financial assets are calculated based on the expected credit loss (ECL) model of IFRS 9. The Group's loss allowances on financial assets other than trade receivables are not material.

Accounting policies

The Group applies the IFRS 9 simplified approach for measuring expected credit losses (ECLs) for trade receivables, which uses a lifetime expected loss allowance for trade receivables at each reporting date. To measure ECLs, trade receivables are grouped based on regions and the days past due. ECLs are calculated separately for state and non-state customers considering historical credit loss experience as well as forward-looking factors. Data sources in determining ECLs include actual historical losses, credit default swaps, country specific risk ratings, development of the customer structure and change in market performance and trends.

The following table provides information about the exposure to credit risk and ECLs for trade receivables:

CHF million	31 March 2026				31 March 2025			
	Expected loss rate	Gross carrying amount	Loss allowance	Net carrying amount	Expected loss rate	Gross carrying amount	Loss allowance	Net carrying amount
State customers								
Not overdue	1.0%	112.1	(1.1)	111.0	0.5%	112.4	(0.6)	111.8
Overdue 1-90 days	14.4%	15.4	(2.2)	13.2	1.5%	17.4	(0.3)	17.2
Overdue 91-180 days	16.7%	2.3	(0.4)	1.9	6.1%	1.8	(0.1)	1.7
Overdue 181-360 days	19.7%	1.6	(0.3)	1.3	49.3%	1.3	(0.6)	0.6
Overdue more than 360 days	73.9%	1.0	(0.7)	0.3	93.8%	0.8	(0.7)	0.0
Total	3.6%	132.5	(4.8)	127.8	1.7%	133.6	(2.3)	131.3

CHF million	31 March 2026				31 March 2025			
	Expected loss rate	Gross carrying amount	Loss allowance	Net carrying amount	Expected loss rate	Gross carrying amount	Loss allowance	Net carrying amount
Non-state customers								
Not overdue	1.2%	354.6	(4.1)	350.5	0.9%	390.0	(3.4)	386.6
Overdue 1-90 days	4.6%	38.6	(1.8)	36.9	9.1%	42.6	(3.9)	38.7
Overdue 91-180 days	25.8%	10.4	(2.7)	7.7	41.3%	8.3	(3.4)	4.9
Overdue 181-360 days	62.4%	7.9	(4.9)	3.0	30.9%	15.2	(4.7)	10.5
Overdue more than 360 days	85.9%	10.4	(8.9)	1.5	61.0%	12.9	(7.9)	5.0
Total	5.3%	421.9	(22.4)	399.5	5.0%	468.9	(23.3)	445.6

The closing loss allowance for trade receivables as at 31 March 2025 reconciles to the closing loss allowance as at 31 March 2026 as follows:

CHF million	31 March 2026	31 March 2025
Loss allowance for doubtful receivables, 1 April	(25.6)	(25.4)
Utilization	4.2	7.1
Reversal	0.6	1.8
Additions	(15.3)	(9.8)
Exchange differences	1.5	0.7
Transferred to assets held for sale	7.4	
Loss allowance for doubtful receivables, 31 March	(27.2)	(25.6)

Trade receivables are written off when there is no reasonable expectation of recovery. Impairment losses on trade receivables and subsequent recoveries are included in general and administration costs.

Liquidity risk

Group finance is responsible for centrally managing the net cash/debt position and to ensure that the Group's obligations can be settled on time. The Group aims to grow further and wants to remain flexible in making time-sensitive investment decisions. This overall objective is included in the asset allocation strategy. A rolling forecast based on the expected cash flows is conducted and updated regularly to monitor and control liquidity.

Visibility over the majority of bank accounts is provided by central treasury organization. Cash pools are automated and daily SWIFT balance tracking is applied where feasible.

The following table summarizes the Group's financial liabilities as of 31 March 2026 and 2025 based on contractual undiscounted payments. Bonds include the notional amount as well as interest payments.

CHF million	31 March 2026			
	Due less than 1 year	Due 1 year to 5 years	Due more than 5 years	Total
Bank debt	115.9	44.4	15.2	175.5
Trade payables	177.1			177.1
Other short-term operating liabilities ¹⁾	115.6			115.6
Lease liabilities	67.0	159.0	14.9	240.9
Bonds	13.5	838.1	508.0	1,359.6
Deferred payments	0.3	1.4		1.7
Contingent considerations	2.8	0.6		3.4
Other financial liabilities	0.4			0.4
Total financial liabilities	492.7	1,043.5	538.1	2,074.3

CHF million	31 March 2025			
	Due less than 1 year	Due 1 year to 5 years	Due more than 5 years	Total
Bank debt	0.2			0.2
Trade payables	269.0			269.0
Other short-term operating liabilities ¹⁾	123.3			123.3
Lease liabilities	67.9	160.8	19.9	248.6
Bonds/US Private Placement	372.5	642.9	561.1	1,576.6
Deferred payments	0.4	1.6		2.0
Contingent considerations	10.4	37.0	40.8	88.2
Other financial liabilities	0.4	3.3		3.7
Total financial liabilities	844.1	845.7	621.8	2,311.6

¹⁾ Financial portion of other short-term operating liabilities.

Capital management

It is the Group's policy to maintain a strong equity base and to secure a continuous "investment grade" rating. The Group's strong balance sheet and earnings tracking provides for additional debt capacity.

The company aims to return excess cash to shareholders as far as not required for organic and acquisition related growth, and amortization of debt.

4.8 Financial instruments

This note discloses the categorization of financial instruments measured at fair value based on the fair value hierarchy.

Accounting policies

Financial instruments measured at fair value are allocated to one of the following three hierarchical levels:

Level 1:

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

Level 2:

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques are based on observable market data, where applicable. If all significant inputs required to value an instrument are observable, the instrument is included in level 2.

Level 3:

If a significant amount of inputs is not based on observable market data, the instrument is included in level 3. For this level, other techniques, such as discounted cash flow analysis, are used to determine fair value.

During the reporting period, there were no reclassifications between the levels.

The following table summarizes the financial instruments of the Group and the valuation method for financial instruments at fair value through profit and loss.

CHF million		31 March 2026								
	Notes	Amor- tized cost	FVPL	Total fi- nancial instru- ments	Non-fi- nancial instru- ments	Total	Fair value ¹⁾	Level 1	Level 2	Level 3
Assets										
Cash and cash equivalents	4.1	721.9		721.9		721.9				
Other current financial assets	4.4	9.1	1.8	11.0		11.0	1.8	0.1	1.8	
Trade receivables	3.1	527.3		527.3		527.3				
Other current operating assets	3.6	88.1		88.1	82.7	170.8				
Other non-current financial assets	4.4	52.7	51.2	103.9		103.9	51.2	49.6		1.6
Total		1,399.1	53.1	1,452.1	82.7	1,534.9	53.1	49.7	1.8	1.6
Liabilities										
Current financial liabilities	4.5	114.4	3.3	117.6		117.6	117.2		114.3	2.8
Trade payables		177.1		177.1		177.1				
Other short-term operating liabilities	3.8	115.6		115.6	239.5	355.1				
Bonds ²⁾	4.5	1,302.1		1,302.1		1,302.1	1,311.0	1,311.0		
Non-current financial liabilities	4.5	56.0	0.6	56.6	0.9	57.4	55.2		54.6	0.6
Total		1,765.1	3.9	1,769.0	240.3	2,009.4	1,483.4	1,311.0	168.9	3.4

¹⁾ For financial assets and financial liabilities measured at amortized cost, fair value information is not provided if the carrying amount is a reasonable approximation of fair value.

²⁾ Includes short- and long-term portion of Bonds.

CHF million		31 March 2025								
	Notes	Amor- tized cost	FVPL	Total fi- nancial instru- ments	Non-fi- nancial instru- ments	Total	Fair value ¹⁾	Level 1	Level 2	Level 3
Assets										
Cash and cash equivalents	4.1	686.9		686.9		686.9				
Other current financial assets	4.4	10.4	1.8	12.2		12.2	1.8	0.2	1.6	
Trade receivables	3.1	576.9		576.9		576.9				
Other current operating assets	3.6	99.3		99.3	60.2	159.6				
Other non-current financial assets	4.4	61.5	2.9	64.4		64.4	2.9	1.2		1.7
Total		1,435.1	4.7	1,439.8	60.2	1,500.0	4.7	1.4	1.6	1.7
Liabilities										
Current financial liabilities	4.5	0.6	9.9	10.4		10.4	9.9		0.4	9.5
Trade payables		269.0		269.0		269.0				
Other short-term operating liabilities	3.8	123.3		123.3	253.1	376.4				
Bonds/US Private Placement ²⁾	4.5	1,511.7		1,511.7		1,511.7	1,518.3	1,359.7	158.6	
Non-current financial liabilities	4.5	1.6	52.5	54.1	3.3	57.4				52.5
Total		1,906.2	62.4	1,968.6	256.4	2,225.0	1,528.2	1,359.7	158.9	62.0

¹⁾ For financial assets and financial liabilities measured at amortized cost, fair value information is not provided if the carrying amount is a reasonable approximation of fair value.

²⁾ Includes short- and long-term portion of Bonds/US Private Placement.

The following table presents the changes in level 3 contingent consideration liabilities for the year ended 31 March 2026 and 2025:

Contingent considerations CHF million	2026	2025
	Total	Total
Balance 1 April	62.0	71.4
Changes through business combinations	3.0	5.2
Cash outflow for contingent considerations	(14.7)	(12.0)
Gains recognized in profit or loss	(1.3)	(1.1)
Exchange differences	(2.4)	(1.5)
Transferred to liabilities directly associated with assets held for sale	(43.2)	
Balance 31 March	3.4	62.0

Contingent considerations of CHF 3.4 million (31 March 2025: 13.7 million) relate to earn-out agreements from acquisitions (refer to [Note 6.1](#)). The fair values are determined by considering the possible scenarios of the future performance of the acquired companies, contractual obligations and milestone achievements, the amount to be paid under each scenario and the probability of each scenario. The significant unobservable inputs are the forecast sales and other performance criteria. As at 31 March 2026 and 2025, the maximum potential payments under contingent considerations do not differ significantly from the amounts provided.

In the prior year, contingent considerations further included a license agreement for the Sennheiser brand for which a liability was recognized for the expected future licensing payments. The liability was transferred to liabilities directly associated with assets held for sale during FY 2025/26 (refer to [Note 6.3](#) Discontinued operations). As of 31 March 2025 the fair value of the license liability amounted to CHF 48.3 million.

Accounting judgements and estimates

Contingent considerations are dependent on the future performance of the acquired companies as well as contractual obligations. If the future performance is not achieved or the estimate needs to be revised, the liability is adjusted accordingly, with a resulting change in the income statement. At the end of the 2025/26 financial year, such liabilities contingent on future events amount to CHF 3.4 million (previous year CHF 62.0 million) and are disclosed under Financial liabilities at fair value through profit or loss ([Note 4.5](#)).

4.9 Exchange rates

The following main exchange rates were used for currency translation:

	31 March 2026	31 March 2025	2025/26	2024/25
	Year-end rates		Average rates for the year	
AUD 1	0.55	0.55	0.53	0.58
BRL 1	0.15	0.15	0.15	0.16
CAD 1	0.57	0.61	0.58	0.64
CNY 1	0.12	0.12	0.11	0.12
EUR 1	0.92	0.95	0.93	0.95
GBP 1	1.06	1.14	1.08	1.13
JPY 100	0.50	0.59	0.53	0.58
USD 1	0.80	0.88	0.80	0.89

Accounting policies

The consolidated financial statements are expressed in Swiss francs ("CHF"), which is the Group's presentation currency. The functional currency of each Group company is based on the local economic environment to which an entity is exposed, which is normally the local currency.

Transactions in foreign currencies are accounted for at the rates prevailing on the dates of the transactions. The resulting exchange differences are recorded in the local income statements of the Group companies and included in net income.

Monetary assets and liabilities of Group companies, which are denominated in foreign currencies are translated using year-end exchange rates. Exchange differences are recorded as an income or expense. Non-monetary assets and liabilities are translated at historical exchange rates. Exchange differences arising on intercompany loans that are considered part of the net investment in a foreign entity are recorded in other comprehensive income in equity.

When translating foreign currency financial statements into Swiss francs, year-end exchange rates are applied to assets and liabilities, while average annual rates are applied to income statement accounts. Translation differences arising from this process are recorded in other comprehensive income in equity. On disposal of a Group company, the related cumulative translation adjustment is transferred from equity to the income statement.

5. Taxes

5.1 Taxes

CHF million	2025/26	2024/25 restated ¹⁾
Current income taxes	78.3	65.6
Deferred taxes	17.4	53.8
Total income taxes	95.7	119.4
Reconciliation of tax expense		
Income before taxes from continuing operations	641.7	684.3
Group's expected average tax rate	18.2%	18.6% ²⁾
Tax at expected average rate	116.8	127.3
+/- Effects of		
Non-taxable income/non-tax-deductible expenses	3.5	3.2
Changes of unrecognized loss carryforwards/deferred tax assets	13.0	(2.1)
Local actual tax rate different to Group's expected average tax rate	4.1	(44.6)
Change in tax rates on deferred tax balances	(2.9)	(0.8)
Related to tax-deductible goodwill in Switzerland ³⁾	3.6	49.5
Tax effect of impairment on investments in subsidiaries	(45.9)	(10.0)
Prior year adjustments and other items, net ⁴⁾	3.6	(3.1)
Total income taxes	95.7	119.4
Effective tax rate	14.9%	17.4%

¹⁾ Comparative information restated for discontinued operations. Refer to Note 6.3

²⁾ The comparative tax rate has been increased from 15.6% as previously reported to 18.6% to disclose the tax effect of impairment on investments in subsidiaries as a separate reconciling item. This effect had previously been included in the expected tax rate for 2024/25.

³⁾ Considering impact from annual assessment.

⁴⁾ Other items include changes in uncertain tax positions.

The Group's expected average tax rate is the rate obtained by applying the expected tax rate for each jurisdiction to its respective result before taxes, adjusted for significant one-time effects.

The expected tax rate might vary on a year-over-year basis depending on changes in tax regulations and where the results are achieved.

Significant management judgement is required to determine the amount of deferred tax asset that can be recognized for the temporary difference related to the tax-deductible goodwill in Switzerland. This evaluation is based on the timing and amount of future taxable profits, the interpretation of local tax regulation and new OECD administrative guidance on Pillar Two. The Group carried out the annual assessment considering recent developments.

Deferred tax assets and (liabilities) CHF million	31 March 2026			31 March 2025		
	Assets	Liabilities	Net amount	Assets	Liabilities	Net amount
Inventories	60.7	(31.0)	29.8	51.7	(20.6)	31.1
Property, plant & equipment	1.2	(6.6)	(5.4)	2.5	(6.9)	(4.5)
Intangible assets		(84.2)	(84.2)		(143.5)	(143.5)
Right-of-use assets and lease liabilities	63.7	(62.3)	1.4	64.2	(62.6)	1.5
Other assets and liabilities ¹⁾	178.1	(59.9)	118.2	257.6	(79.1)	178.5
Tax loss carryforwards	77.0		77.0	111.3		111.3
Total tax assets (liabilities)	380.7	(243.9)	136.8	487.2	(312.7)	174.6
Offset of assets and liabilities	(182.9)	182.9		(186.3)	186.3	
Amounts in the balance sheet						
Deferred tax assets	197.8		197.8	301.0		301.0
Deferred tax liabilities		(61.0)	(61.0)		(126.3)	(126.3)
Total deferred taxes, net			136.8			174.6

¹⁾ Deferred tax assets mainly relate to provisions and contract liabilities, deferred tax liabilities mainly relate to provisions, contract assets and trade and other receivables. Including deferred tax assets in the amount of CHF 98.3 million (2024/25: CHF 127.6 million) related to tax-deductible goodwill in Switzerland.

Movement of deferred tax assets and (liabilities) CHF million							2025/26
	Inventories	Property, plant & equipment	Intangible assets	Right-of-use assets and lease liabilities	Other assets and liabilities	Tax loss carry-forwards	Total
Balance 1 April	31.1	(4.5)	(143.5)	1.5	178.5	111.3	174.6
Changes through business combinations	(0.1)		(1.3)		0.1	(0.1)	(1.3)
Deferred taxes recognized in the income statement ¹⁾	3.4	(1.1)	27.4	(0.2)	(42.9)	(27.3)	(40.6)
Deferred taxes recognized in OCI ²⁾					0.5		0.5
Exchange differences	(1.2)	0.6	5.1	0.1	(5.9)	(6.3)	(7.6)
Transferred to assets/liabilities held for sale	(3.4)	(0.5)	28.0		(12.1)	(0.7)	11.3
Balance 31 March	29.8	(5.5)	(84.2)	1.4	118.2	77.0	136.8

¹⁾ Deferred taxes recognized in the income statement include the impact related to tax-deductible goodwill in Switzerland.

²⁾ Other comprehensive income.

Movement of deferred tax assets and (liabilities) CHF million							2024/25
	Inventories	Property, plant & equipment	Intangible assets	Right-of-use assets and lease liabilities	Other assets and liabilities	Tax loss carry-forwards	Total
Balance 1 April	38.4	(4.1)	(141.7)	0.5	221.2	104.2	218.5
Changes through business combinations			(5.2)		1.1		(4.1)
Deferred taxes recognized in the income statement ¹⁾	(6.5)	(0.8)	0.9	(0.5)	(36.3)	4.4	(38.8)
Deferred taxes recognized in OCI ²⁾					(0.6)		(0.6)
Exchange differences	(0.9)	0.5	2.6	1.5	(6.9)	2.7	(0.5)
Balance 31 March	31.1	(4.5)	(143.5)	1.5	178.5	111.3	174.6

¹⁾ Deferred taxes recognized in the income statement include the impact related to tax-deductible goodwill in Switzerland.

²⁾ Other comprehensive income.

Deferred tax assets have been capitalized based on the projected future performance of the Group companies.

Deferred tax liabilities are not recognized on taxable temporary differences arising from investments in subsidiaries where the Group controls the timing of the reversal and it is probable that the difference will not reverse in the foreseeable future. The aggregate amount of such unrecognised temporary differences from unremitted earnings is CHF 224.8 million (previous year CHF 225.5 million).

The gross values of unused tax loss carryforwards, which have not been capitalized as deferred tax assets, with their expiry dates are as follows:

CHF million	31 March 2026	31 March 2025
Within 1 year	4.2	1.6
Within 2-4 years	14.8	18.8
More than 4 years or without expiration	397.4	385.2
Total	416.4	405.6

Tax loss carryforwards, which have not been capitalized also include tax losses from acquired entities with limitation of use and losses that do not qualify for capitalization. The inherent uncertainty regarding the level and use of the tax losses and changes in tax regulations and laws can impact the annual assessment of these unused tax loss carryforwards.

The Group has CHF 125.2 million (previous year CHF 139.9 million) of deductible temporary differences without expiration and CHF 5.4 million (previous year CHF 5.9 million) unused tax credits expiring in more than four years or without expiration for which no deferred tax asset has been recognized. Furthermore, the Group has additional unrecognized deferred tax asset of CHF 240.8 million (previous year CHF 297.9 million) related to the Swiss tax reform introduced by the Swiss Federal Act on Tax Reform and AHV Financing (TRAF) expiring within four years.

Pillar Two income taxes

In October 2021, more than 135 jurisdictions agreed to adopt Global Anti-Base Erosion Rules (GloBE – Pillar Two) as part of the OECD's BEPS 2.0 initiatives. These rules aim to ensure that large multinational enterprises pay at least 15% income tax in each jurisdiction where they operate. In December 2021, the OECD released the GloBE Model Rules, which establish a coordinated system for implementing this 15% tax on a globally standardized tax base. This system also includes provisions for levying additional tax (top-up tax) if necessary to meet the 15% threshold.

In December 2023, Switzerland passed the Minimum Tax Ordinance, enforcing OECD Qualified Domestic Minimum Top-up Tax (QDMTT) rules for Sonova's Swiss entities starting from the financial year commenced 1 April 2024. Additionally, other jurisdictions where Sonova operates have also introduced Pillar Two legislation, which will affect Sonova group companies started from the same financial year. Sonova assessed the Pillar Two income taxes of the constituent entities and jurisdictions in scope of the legislation for the 2025/26 financial year. Based on this assessment, the Group concluded that most of the jurisdictions where Sonova operates qualify for at least one CbCR Safe Harbor measure. The financial impact for the Group from Pillar Two income taxes is not material.

In September 2024, Switzerland enacted the Income Inclusion Rule (IIR), which impose the 15% minimum top-up tax on all Sonova subsidiaries starting from 1 April 2025. Sonova does not foresee significant exposure to Pillar Two income taxes from the Swiss introduction of the IIR.

Sonova has used the mandatory exception to not disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

Accounting policies

Income taxes include current and deferred income taxes. The Group is subject to income taxes in numerous jurisdictions and significant judgment is required in determining the worldwide provision for income taxes. The multitude of transactions and calculations implies the use of certain estimates and assumptions. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and outcome is uncertain. Management establishes provisions, where appropriate, on the basis of amounts expected to be at risk to be paid to the tax authorities.

Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Deferred tax is recorded on the valuation differences (temporary differences) between the tax bases of assets and liabilities and their carrying values in the consolidated balance sheet. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the temporary differences and tax losses can be offset. Deferred income tax liabilities are provided for non-taxable temporary differences arising from investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Accounting judgements and estimates

The consolidated balance sheet includes deferred tax assets of CHF 99.5 million (previous year CHF 173.4 million) related to deductible differences and, in certain cases, tax loss carry forwards, provided that their utilization is considered probable. The recoverable value is based on forecasts of the corresponding taxable Group company over a period of several years. As actual results may differ from these forecasts, the deferred tax assets may need to be adjusted accordingly.

Deferred tax assets further include CHF 98.3 million (previous year: CHF 127.6 million) related to the Swiss tax reform introduced by the Swiss Federal Act on Tax Reform and AHV Financing (TRAF). The calculation of the deferred tax assets required management to make significant estimates and assumptions. Some of these estimates are based on interpretations of existing tax laws or regulations. Whenever circumstances have changed or there is new information that affects these judgements, the estimates will be reassessed.

6. Changes in Group structure

6.1 Acquisitions/disposals of subsidiaries

During the financial years 2025/26 and 2024/25, several small businesses were acquired in EMEA, Americas and Asia/Pacific. All of these companies acquired are in the business of distributing and servicing hearing instruments. Due to the size of these transactions, they had no material impact on the financial statements.

Assets and liabilities resulting from the acquisitions are as follows:

CHF million	2025/26	2024/25
	Total	Total
Cash and cash equivalents	0.9	2.7
Trade receivables	0.2	1.3
Inventories	0.5	0.8
Other current operating assets	0.1	0.7
Total current assets	1.7	5.5
Right-of-use assets	6.0	1.3
Intangible assets	11.5	23.4
Other non-current assets	0.8	1.2
Deferred tax assets	1.4	1.1
Total non-current assets	19.6	27.0
Current financial liabilities		(0.0)
Current lease liabilities	(1.7)	(0.4)
Trade payables	(0.4)	(0.6)
Short-term contract liabilities		(0.1)
Other short-term operating liabilities	(1.0)	(2.7)
Short-term provisions	(0.1)	(0.4)
Total current liabilities	(3.2)	(4.2)
Non-current financial liabilities		(0.1)
Non-current lease liabilities	(4.3)	(0.9)
Long-term provisions	(0.1)	(0.1)
Other long-term operating liabilities		(0.1)
Deferred tax liabilities	(2.8)	(5.2)
Total non-current liabilities	(7.2)	(6.5)
Net assets	11.0	21.8
Goodwill	28.2	52.0
Purchase consideration	39.2	73.8
Liabilities for contingent considerations and deferred payments ¹⁾	(3.7)	(7.1)
Cash and cash equivalents acquired	(0.9)	(2.7)
Cash outflow for contingent considerations and deferred payments	10.9	8.5 ²⁾
Cash consideration for acquisitions, net of cash acquired	45.5	72.6

¹⁾ Contingent considerations (earn-out payments) are dependent on the future performance of the acquired companies as well as contractual conditions. The liability for contingent considerations is based on the latest estimate of the future performance.

²⁾ Comparative information restated for discontinued operation. Refer to Note 6.3

The initial accounting for the acquisitions completed in the current financial year is provisional and the fair values assigned to the identifiable assets acquired and liabilities assumed are still subject to change. The finalization of the accounting from acquisitions in the prior year did not result in material fair value adjustments.

Liabilities for contingent considerations amount to CHF 3.0 million (previous year CHF 5.2 million) and deferred payments amount to CHF 0.7 million (previous year CHF 1.8 million). Contingent considerations are dependent on the future performance of the acquired companies as well as contractual obligations and milestone achievements. Goodwill is attributed mainly to economies of scale and expected synergies such as favorable sales growth potential, increase in share of Sonova products within acquired distribution companies and cost reductions in administrative and corporate functions as well as to the labor force. Recognized goodwill is not expected to be deductible for income tax purposes.

Acquisition-related intangible assets in the amount of CHF 11.5 million (previous year CHF 23.2 million) for the acquisitions in the current financial year relate to customer relationships. The assigned lifetime range is between 10 and 15 years. On these intangibles deferred taxes have been considered.

Acquisition-related transaction costs in the amount of CHF 0.8 million (previous year CHF 2.1 million) were expensed and are included in the line "General and administration".

1 April to 31 March, CHF million	2025/26	2024/25
	Total	Total
Contribution of acquired companies from date of acquisition		
Sales	12.0	25.8
Net income	3.1	3.7
Contribution, if the acquisitions had occurred on 1 April		
Sales	21.7	32.9
Net income	5.3	6.3

Accounting policies

Business combinations are accounted for using the acquisition method of accounting. The cost of a business combination is equal to the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Sonova Group, in exchange for control over the acquired company. Any difference between the cost of the business combination and the net fair value of the identifiable assets, liabilities, and contingent liabilities recognized is treated as goodwill. Goodwill is not amortized, but is assessed for impairment annually, or more frequently if events or changes in circumstances indicate that its value might be impaired (Refer to [Note 3.5](#)). Acquisition-related costs are expensed. For each business combination, the Group recognizes the non-controlling interests in the acquiree at fair value or at the non-controlling interests proportionate share in the recognized amounts of the acquiree's identifiable net assets.

If a business combination is achieved in stages (control obtained over an associate), the previously held equity interest in an associate is remeasured to its acquisition date fair value and any resulting gain or loss is recognized in "financial income/expenses" in profit or loss.

Accounting judgements and estimates

In the course of recognizing assets and liabilities from business combinations, management judgments might be required for the following areas:

- Acquisition-related intangibles resulting from technology, customer relationships, client lists, or brand names.
- Contingent consideration arrangements (refer to [Note 4.8](#))

6.2 Investments in associates/joint ventures

The Group's share in the results as well as in assets and liabilities of associates/joint ventures, all unlisted enterprises, is as follows:

CHF million	2025/26	2024/25
Current assets	5.6	5.1
Non-current assets	2.3	4.5
Total assets	8.0	9.6
Current liabilities	(2.3)	(1.5)
Non-current liabilities	(1.3)	(1.4)
Total liabilities	(3.6)	(2.9)
Net assets	4.4	6.6
Income for the year	13.0	12.1
Expenses for the year	(8.1)	(6.7)
Profit for the year	4.8	5.4
Net book value at year-end	9.1	18.6
- Share of profit / (loss) recognized by the Group	4.8	5.4
- Gain on disposal of investment in associate	37.0	
Share of profit/(loss) in associates/joint ventures, net and gain on disposal of associate	41.8	5.4

In the financial year 2025/26, a disposal was made of an investment in associate with a net book value of CHF 9.3 million resulting a gain on disposal of CHF 37.0 million.

In the financial year 2024/25, no associates were acquired/divested.

Sales to associates in the 2025/26 financial year amounted to CHF 16.1 million (previous year CHF 12.8 million). At 31 March 2026, trade receivables towards associates amounted to CHF 4.5 million (previous year CHF 3.2 million).

At the end of the 2025/26 and 2024/25 financial years, no unrecognized losses existed.

Investments with a net book value of CHF 9.1 million (previous year CHF 18.6 million) have a business year different than the Sonova Group. The latest available information for the respective companies are as per December 2025.

Accounting policies

Investments in associates and joint ventures are accounted for using the equity method of accounting. Investments in associates are entities in which Sonova has a significant influence but no control (usually 20% – 50% of voting rights). Joint ventures are joint arrangements whereby two or more parties have rights to the net assets of the arrangement.

Under the equity method, the investment in an associate/joint venture is recognized initially at cost (including goodwill on acquisition) and the carrying amount is increased or decreased to recognize Sonova's share of profit or loss of the associate/joint venture after the acquisition date. When the Group's share of losses in an associate/joint venture equals or exceeds its interest in the associate/joint venture, no further losses are recognized, unless there is a legal or constructive obligation. In order to apply the equity method the most recent available financial statements of an associate/joint venture are used, however, due to practicability reasons the reporting dates might vary up to three months from the Group's reporting date.

6.3 Discontinued operations

On 23 March 2026, the Group announced its intention to divest the Consumer Hearing business to focus fully on its core hearing care activities. The transaction is expected to be completed during the financial year 2026/27. Accordingly, the Consumer Hearing business is presented as discontinued operations as of 31 March 2026.

In accordance with IFRS 5, the comparative figures for the consolidated income statement and the consolidated cash flow statement have been restated to present the results and cash flows of the discontinued operations separately from continuing operations.

As of 31 March 2026, the carrying amount of the disposal group was reduced to its fair value less costs to sell, resulting in a pre-tax impairment charge of CHF 38.3 million which was first allocated to goodwill (CHF 16.2 million) and then pro rata to property, plant and equipment, intangible assets and right-of-use assets.

The assets and liabilities of the Consumer Hearing business were reclassified to held for sale and the disposal group (new cash generating unit) was tested for impairment as a whole. The fair value was based on discounted cash flows estimated by management, based on its current form and ownership, using assumptions that reflect a market participant perspective and are informed by historical performance and approved business plans.

Income statement of discontinued operations

CHF million	2025/26	2024/25
Sales	233.2	252.5
Expenses	(277.0)	(284.8)
Loss before taxes	(43.8)	(32.3)
Income taxes	(28.3)	14.4
Loss after taxes	(72.1)	(17.9)
Loss recognized on the measurement to fair value less costs to sell	(38.3)	
Income tax effect from measurement to fair value less costs to sell	3.9	
Loss after taxes from discontinued operations	(106.5)	

Net assets classified as held for sale

The major classes of assets and liabilities of the Consumer Hearing business classified as held for sale as of 31 March 2026 are as follows:

CHF million	31 March 2026
Cash and cash equivalents	16.7
Trade receivables	52.4
Inventories	48.3
Other current assets	9.5
Property, plant and equipment	14.5
Intangible assets	99.8
Other non-current assets	20.0
Assets held for sale	261.2
Trade payables	19.9
Other current liabilities	53.2
Other non-current liabilities	77.3
Liabilities directly associated with assets held for sale	150.5
Net assets classified as held for sale	110.7

Accounting policies

Non-current assets and disposal groups are classified as held for sale when their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Classification as held for sale is made only when the sale is highly probable, the asset or disposal group is available for immediate sale in its present condition, and management is committed to a plan to sell the asset or disposal group within one year.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses are recognized for any initial or subsequent write-down to fair value less costs to sell. Impairment losses are reversed for subsequent increases in fair value less costs to sell, to the extent of the cumulative impairment previously recognized, except for goodwill.

After classification as held for sale, non-current assets are no longer depreciated or amortized.

Accounting judgements and estimates

Significant management judgement is required in determining whether a disposal plan meets the criteria in IFRS 5 for classification as held for sale, including whether the sale is highly probable within twelve months and whether the assets or disposal group are available for immediate sale in their present condition. Management also applies judgement in assessing whether the disposal represents a separate major line of business or geographical area of operations and therefore constitutes a discontinued operation.

In measuring non-current assets and disposal groups classified as held for sale, estimates are required to determine their fair value less costs to sell. These estimates typically involve assumptions about market conditions, discount rates, expected disposal proceeds, and timing of the sale. Actual outcomes, including proceeds and cash flows, may differ materially from these estimates due to changes in market conditions or other factors.

7. Other disclosures

7.1 Number of employees

On 31 March 2026, the Sonova Group employed the full time equivalent (FTE) of 18,447 people (previous year 17,990). They were engaged in the following regions and activities:

By region	31 March 2026	31 March 2025
Switzerland	1,317	1,434
EMEA (excl. Switzerland)	7,675	7,427
Americas	5,305	4,984
Asia/Pacific	4,150	4,145
Total	18,447	17,990
- thereof related to continuing operations	17,869	17,387
- thereof related to discontinued operations	578	604
By activity		
Research and development	1,269	1,243
Operations	4,989	4,557
Sales and marketing, general and administration	12,189	12,190
Total	18,447	17,990

The average number of employees (full time equivalents) of the Sonova Group for the year was 18,113 (previous year 18,385). Total personnel expenses for the 2025/26 financial year amounted to CHF 1,309.9 million (thereof CHF 53.1 million related to discontinued operations (previous year CHF 1,380.8 million, thereof CHF 54.6 million related to discontinued operations)).

7.2 Transactions and relations with members of the Group Executives and the Board of Directors

CHF million	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
	Group Executives		Board of Directors		Total	
Short-term employee benefits	7.2	7.8	1.7	2.1	8.9	9.8
Post-employment benefits	0.6	0.6			0.6	0.6
Share based payments	1.1	4.7	1.5	1.8	2.5	6.5
Total	8.8	13.1	3.2	3.9	12.0	16.9

The total compensation to the Group Executives for the 2025/26 reporting period, as shown above, relates to eight active members (2024/25: eight active members and members that left during the financial year).

The total compensation to the Board of Directors for the 2025/26 reporting period, as shown above, relates to eight active members (2024/25: ten active members).

Transactions between the Group and the various post-employment benefit plans for the employees of the Group are described in [Note 7.3](#).

7.3 Employee benefits

Defined benefit plans

Sonova Group's retirement plans include defined benefit pension plans in Switzerland, Austria, Belgium, Canada, France, Germany and Israel. These plans are both funded and unfunded and governed by local regulations using independent actuarial valuations according to IAS 19. Sonova Group's major defined benefit plan is located in Switzerland, which in total accounts for CHF 611.9 million or 97.9% (previous year CHF 567.1 million or 96.7%) of Sonova's defined benefit obligation.

Pension plans in Switzerland

The current pension arrangement for employees in Switzerland is made through a plan governed by the Swiss Federal Occupational Old Age, Survivors and Disability Pension Act (BVG). The plan of Sonova's Swiss companies is administered by a separate legal foundation, which is funded by regular employer and employee contributions as defined in the pension fund rules. The Swiss pension plan contains a cash balance benefit which is, in essence, contribution-based with certain minimum guarantees. Due to these minimum guarantees, the Swiss plan is treated as a defined benefit plan for the purposes of these consolidated financial statements, although it has many of the characteristics of a defined contribution plan. The plan is invested in a diversified range of assets in accordance with the investment strategy and the common criteria of asset and liability management. A potential under-funding may be remedied by various measures such as increasing employer and employee contributions or reducing prospective benefits. Above a set insured salary, the savings capital will be split into pension-accumulating and capital-accumulating savings capital. The pension-accumulating savings capital will generate a life-long retirement pension upon retirement. The insured person may request a lump sum settlement in lieu of the retirement pension or a part thereof. The capital-accumulating savings capital will generate a one-off capital payment upon retirement. An annuity rate of 5.4% to the individual accumulated retirement savings capital was applied for the financial years 2025/26 and 2024/25.

As of 31 March 2026, 1,328 employees (previous year 1,460 employees) and 207 beneficiaries (previous year 192 beneficiaries) are insured under the Swiss plan. The defined benefit obligation has a duration of 16.0 years (previous year 16.4 years).

The results of all defined benefit plans are summarized below:

Amounts recognized in the balance sheet CHF million	31 March 2026	31 March 2025
Present value of funded obligations	(617.6)	(572.5)
Fair value of plan assets	629.5	591.2
Net present value of funded plans	11.9	18.7
Present value of unfunded obligations	(7.3)	(13.8)
Total assets (liabilities), net	4.6	4.9
Amounts in the balance sheet:		
Retirement benefit obligation	(8.6)	(14.8)
Retirement benefit asset	13.1	19.7
Assets (liabilities) in the balance sheet, net	4.6	4.9
Remeasurements recognized in equity CHF million		
	2025/26	2024/25
Balance 1 April	(14.7)	(10.7)
Actuarial losses/(gains) from		
- changes in demographic assumptions	(4.6)	(0.1)
- changes in financial assumptions	18.0	4.9
- changes in experience adjustments	29.8	6.2
Return on plan assets excluding interest income	(40.2)	(15.1)
Balance 31 March	(11.7)	(14.7)
Amounts recognized in the income statement CHF million		
	2025/26	2024/25
Current service cost ¹⁾	21.1	21.8
Net interest cost/(income)	0.1	0.2
Total employee benefit expenses²⁾	21.3	21.9
- thereof related to continuing operations	21.0	21.5
- thereof related to discontinued operations	0.3	0.4

¹⁾ Excluding Participants' contributions.

²⁾ The amount recognized in the consolidated income statement 2025/26 has been charged to:

- cost of sales CHF 2.5 million (previous year CHF 2.7 million);
- research and development CHF 9.2 million (previous year 8.9 million);
- sales and marketing CHF 4.1 million (previous year 4.3 million);
- general and administration CHF 5.3 million (previous year CHF 5.9 million);
- financial expense CHF 0.1 million (previous year CHF 0.2 million).

Movement in the present value of the defined benefit obligations CHF million	2025/26	2024/25
Beginning of the year	586.3	550.5
Interest cost	8.5	7.5
Current service cost	21.1	21.8
Participants' contributions	15.6	16.1
Benefits paid, net	(44.7)	(19.5)
Actuarial losses/(gains) on obligations	43.2	11.0
Exchange differences	(0.2)	(1.2)
Transferred to liabilities held for sale	(5.1)	
Present value of obligations at end of period	624.9	586.3

Movement in the fair value of the plan assets CHF million	2025/26	2024/25
Beginning of the year	591.2	553.4
Interest income on plan asset	8.3	7.2
Employer's contributions paid	17.9	18.5
Participants' contributions	15.6	16.1
Benefits paid, net	(43.7)	(19.0)
Return on plan assets excluding interest income	40.2	15.1
Exchange differences	0.1	0.1
Fair value of plan assets at end of period	629.5	591.2

The plan assets consist of:	31 March 2026	31 March 2025
Cash	2.6%	4.5%
Domestic bonds	18.7%	19.5%
Foreign bonds	7.5%	6.9%
Domestic equities	11.3%	11.2%
Foreign equities	32.2%	30.2%
Real estates	15.2%	15.9%
Alternative investments	12.5%	11.9%

With the exception of cash, all of the plan assets have quoted market prices. The actual return on plan assets amounted to CHF 48.4 million (previous year CHF 22.2 million). The expected employer's contributions for the Swiss retirement benefit plan to be paid in the 2026/27 financial year amount to CHF 17.2 million.

Principal actuarial assumptions Swiss retirement benefit plan (weighted average)	2025/26	2024/25
Discount rate	1.20%	1.40%
Future salary increases	1.50%	1.50%
Future pension increases	0%	0%
Fluctuation rate	BVG 2025	BVG 2020
Mortality assumptions / demographic assumptions	BVG 2025GT	BVG 2020GT

The following sensitivity analysis shows how the present value of the benefit obligation for the Swiss retirement benefit plan would change if one of the principal actuarial assumptions was changed. For the analysis, changes in the assumptions were considered separately and no interdependencies were taken into account.

Sensitivity analysis - impact on defined benefit obligation CHF million	31 March 2026	31 March 2025
Discount rate		
Discount rate +0.25%	(22.3)	(20.2)
Discount rate -0.25%	25.4	23.0
Life expectancy		
One year increase	11.2	9.7
One year decrease	(11.6)	(10.1)
Pension growth		
Pension growth +0.5%	24.9	22.3
Fluctuation rate		
Fluctuation rate +5%	(27.0)	(19.8)
Fluctuation rate -5%	37.5	28.3

Defined contribution plans

Several of the Group's entities have a defined contribution plan. The employer's contributions amounted to CHF 30.0 million (thereof CHF 1.6 million related to discontinued operations) in the year ended 31 March 2026 (previous year CHF 31.0 million, thereof CHF 1.7 million related to discontinued operations) and are recognized directly in the income statement.

Accounting policies

Most employees are covered by post-employment plans sponsored by corresponding Group companies in the Sonova Group. Such plans are mainly defined contribution plans (future benefits are determined by reference to the amount of contributions paid) and are generally administered by autonomous pension funds or independent insurance companies. These pension plans are financed through employer and employee contributions. The Group's contributions to defined contribution plans are charged to the income statement in the year to which they relate.

The Group also has several defined benefit pension plans, both funded and unfunded. Accounting and reporting of these plans are based on annual actuarial valuations. Defined benefit obligations and service costs are assessed using the projected unit credit method, with the cost of providing pensions charged to the income statement so as to spread the regular cost over the service lives of employees participating in these plans. The pension obligation is measured as the present value of the estimated future outflows using interest rates of high quality corporate bonds, which have terms to maturity approximating the terms of the related liability. Service costs from defined benefit plans are charged to the appropriate income statement heading within the operating results.

A single net interest component is calculated by applying the discount rate to the net defined benefit asset or liability. The net interest component is recognized in the income statement in the financial result.

Actuarial gains and losses, resulting from changes in actuarial assumptions and differences between assumptions and actual experiences, are recognized in the period in which they occur in "Other comprehensive income" in equity.

Accounting judgements and estimates

The Sonova Group has various employee benefit plans. Most of its salaried employees are covered by these plans, of which some are defined benefit plans. The present value of the defined benefit obligations at the end of the 2025/26 financial year amounts to CHF 624.9 million (previous year CHF 586.3 million). This includes CHF 611.9 million (previous year CHF 567.1 million) from the Swiss pension plan. With such plans, actuarial assumptions are made for the purpose of estimating future developments, including estimates and assumptions relating to discount rates, and future wage as well as pension trends. Actuaries also use statistical data such as mortality tables and staff turnover rates with a view to determining employee benefit obligations. If these factors change due to a change in economic or market conditions, the subsequent results could deviate considerably from the actuarial reports and calculations. In the medium term, such deviations could have an impact on the equity.

7.4 Equity plans

Equity plans are offered annually to the members of the Board of Directors (BoD), to the members of the Executive Committee (EC) as well as to other management and senior employees of the Group, entitling them to receive long-term incentives in the form of equity plans free of charge. Equity plans are settled either with Sonova Holding AG shares (equity-settled share-based payment) or for certain US employees with an equivalent amount in cash (cash-settled share-based payment). The amount granted varies depending on the degree of management responsibility held.

In the 2025/26 and 2024/25 financial years, as part of the Executive Equity Award Plan (EEAP) Sonova granted restricted shares, restricted share units (RSUs), performance share units (PSUs), options, and for US employees, share appreciation rights (SARs). Options as well as PSUs granted to the Executive Committee in 2025/26 and 2024/25 include a performance criterion.

The following share-based payment costs have been recognized in the financial years

CHF million	2025/26	2024/25
Equity-settled share-based payment costs	19.3	20.4
Cash-settled share-based payment costs	1.0	0.0
Total share-based payment costs	20.2	20.4

The following table shows the outstanding options and/or SARs, granted as part of the EEAP 2018 to 2026. All of the equity instruments listed below (except for the non-recurring performance options granted to the former CEO in 2017/18) vest in 4 equal tranches, annually over a period of 4 years.

Summary of outstanding options and SARs granted until 31 March 2026:

Financial year granted	Instruments granted	First vesting date / expiry date	Granted	Exercise price (CHF)	Outstanding	Average remaining life (years)	Exercisable
2017/18	Options/SARs ¹⁾	1.4.2023 30.9.2027	47,415	147.85	46,528	1.5	46,528
2017/18	Options ²⁾	1.6.2019 31.1.2028	341,943	147.85	49,502	1.8	49,502
2018/19	Options/SARs ³⁾	1.6.2020 31.1.2029	249,760	182.40	67,570	2.8	67,570
2019/20	Options/SARs ⁴⁾	1.6.2021 31.1.2030	208,245	241.80	75,852	3.8	75,852
2020/21	Options/SARs ⁵⁾	1.6.2022 31.1.2031	170,694	218.70	99,355	4.8	99,355
2021/22	Options/SARs ⁶⁾	1.6.2023 31.1.2032	112,656	333.60	59,740	5.8	44,698
2022/23	Options/SARs ⁷⁾	1.6.2024 31.1.2033	138,302	233.40	90,120	6.8	47,843
2023/24	Options/SARs ⁸⁾	1.6.2025 31.1.2034	118,673	279.10	87,236	7.8	24,061
2024/25	Options/SARs ⁹⁾	1.6.2026 31.1.2035	99,502	319.20	87,623	8.8	0
2025/26	Options/SARs ¹⁰⁾	1.6.2027 31.1.2036	129,899	211.50	129,899	9.8	0
Total			1,617,089		793,425¹¹⁾	6.1	455,409¹²⁾
Thereof:							
	Equity-settled		1,437,296		711,336		414,207
	Cash-settled		179,793		82,089		41,202

¹⁾ Non-recurring performance options, granted to the former CEO. Terms were amended in the financial year 2020/21 - for further details refer to section "Options" in this note.

²⁾ Including 150,114 performance options, granted to the CEO and EC members.

³⁾ Including 80,850 performance options, granted to the CEO and EC members.

⁴⁾ Including 77,574 performance options/SAR, granted to the CEO and EC members.

⁵⁾ Including 61,779 performance options/SAR, granted to the CEO and EC members.

⁶⁾ Including 38,252 performance options/SAR, granted to the CEO and EC members.

⁷⁾ Including 46,012 performance options/SAR, granted to the CEO and EC members.

⁸⁾ Including 41,799 performance options/SAR, granted to the CEO and EC members.

⁹⁾ Including 32,640 performance options/SAR, granted to the CEO and EC members.

¹⁰⁾ Including 12,490 performance options/SAR, granted to the CEO.

¹¹⁾ Weighted average exercise price of outstanding options/SARs amounts to CHF 236.12

¹²⁾ Weighted average exercise price for exercisable options/SARs amounts to CHF 218.23

The fair value of options and/or SARs is calculated at the grant date by using an "Enhanced American Pricing Model". The expected volatility is based on historical measures. The main valuation assumptions used for the options and/or SARs granted in the current and in the previous financial year are as follows:

Assumptions for valuation at grant date	EEAP 2026 - Executive Committee Options/SARs ¹⁾	EEAP 2026 Options/SARs	EEAP 2025 - Executive Committee Options/SARs	EEAP 2025 Options/SARs
Valuation date	1.7.2025	1.2.2026	1.2.2025	1.2.2025
Expiry date	30.6.2035	31.1.2036	31.1.2035	31.1.2035
Restriction period	5 years		5 years	
Share price on grant date	CHF 238.60	CHF 211.50	CHF 319.20	CHF 319.20
Exercise price	CHF 238.60	CHF 211.50	CHF 319.20	CHF 319.20
Volatility	29.7%	28.4%	31.7%	31.7%
Expected dividend yield	2.1%	2.2%	1.5%	1.5%
Weighted risk free interest rate	0.3%	0.3%	0.4%	0.3%
Weighted average fair value of options/SARs issued	52.54	44.00	80.88	78.60

¹⁾ In 2026, grants were made to the CEO.

Options

The exercise price of options is equal to the market price of Sonova Holding AG shares on the SIX Swiss Exchange at grant date. The fair value of the options granted is estimated at grant date and recorded as an expense over the corresponding vesting period. Assumptions are made regarding the forfeiture rate which is adjusted during the vesting period (including adjustments due to re-assessments of the likely ROCE targets achievements for performance options granted to the CEO and the other members of the EC) to ensure that only a charge for vested amounts occur. Options may be exercised after the vesting date, until their expiry date. If options are exercised, one share per option from the conditional share capital is issued, or treasury shares are used for fulfillment. In the financial year 2025/26 and 2024/25 the options granted to the CEO and the members of the EC include a restriction period of 5 years, which was considered in the fair value of the options at grant date.

Changes in outstanding options:	2025/26		2024/25	
	Number of options	Weighted average exercise price (CHF)	Number of options	Weighted average exercise price (CHF)
Outstanding options at 1 April	704,655	241.09	827,185	224.78
Granted ¹⁾	108,824	211.50	88,257	319.20
Exercised ²⁾	(32,821)	189.84	(159,297)	187.98
Forfeited ³⁾	(69,322)	276.85	(51,490)	274.68
Outstanding options at 31 March	711,336	235.44	704,655	241.09
Exercisable at 31 March	414,207	216.92	390,434	208.55

¹⁾ 2025/26 includes 12,490 performance options (previous year 30,044 performance options), granted to the CEO.

²⁾ The total consideration from options exercised amounted to CHF 6.2 million (previous year CHF 29.8 million). The weighted average share price of the options exercised during the year 2025/26 was CHF 205.32 (previous year CHF 298.71).

³⁾ Includes forfeiture of performance options granted to CEO and EC members subject to ROCE hurdle, which vested in the financial year 2024/25 and 2023/24 (performance adjustment). In addition 2023/24 includes forfeiture of options relating to the one-time performance options granted in 2017/18 to the COO (now CEO).

Share appreciation rights (SARs)

The exercise price of SARs is generally equal to the market price of Sonova Holding AG shares on the SIX Swiss Exchange at grant date. Upon exercise of SARs, an employee shall be paid an amount in cash equal to the number of shares for which the employee exercised SARs, multiplied by any surplus, of the per share market price at the date of exercise versus the per share exercise price (determined at the date of grant of SARs). The initial fair value of the SARs is in line with the valuation of the options of the respective period and recorded as an expense over the corresponding vesting period. Assumptions are made regarding the forfeiture rate which is adjusted during the vesting period (including adjustments due to re-assessments of the likely ROCE targets achievements for performance options/SARs granted to the members of the EC) to ensure that only a charge for vested amounts occur. Until the liability is settled, it is revalued at each reporting date recognizing changes in fair value in the income statement. The SARs may be sold after the vesting date, until they expire, except for the SARs granted to members of the EC, which include a restriction period of 5 years.

Changes in outstanding SARs:	2025/26		2024/25	
	Number of SARs	Weighted average exercise price (CHF)	Number of SARs	Weighted average exercise price (CHF)
Outstanding SARs at 1 April	69,069	249.89	76,900	237.07
Granted ¹⁾	21,075	211.50	11,245	319.20
Exercised	(2,113)	177.20	(6,659)	183.83
Forfeited	(5,942)	248.06	(12,417)	268.67
Outstanding SARs at 31 March²⁾	82,089	242.04	69,069	249.89
Exercisable at 31 March³⁾	41,202	231.41	41,795	226.04

¹⁾ 2025/26 includes 0 performance SARs (previous year 2,596) granted to a EC member.

²⁾ The carrying amount of the liability relating to the SARs at 31 March 2026 is CHF 0.6 million (previous year CHF 3.0 million).

³⁾ The intrinsic value of the SARs exercisable at 31 March 2026 amounts to CHF 1.0 million (previous year CHF 1.3 million).

Performance share units (PSUs)

In 2026, grants were made to the CEO that consist of PSU's. In 2025, grants made to the members of the Executive Committee under the EEAP consist of PSUs. The PSUs are measured on relative TSR (rTSR) against the constituents of a recognized index. The fair value of a PSU at grant date was based on a "Monte-Carlo valuation". PSUs entitle the holder up to two shares per PSU, subject to the achievement of the performance criterion. PSUs granted are subject to a restriction period, which was considered in the fair value of the PSU at grant date. Upon vesting of the PSUs, the respective shares are either created out of the conditional share capital or treasury shares are used. The cost of the PSUs granted is expensed over their vesting period. Assumptions are made regarding the forfeiture rate which is adjusted during the vesting period, to ensure that only vested amounts are expensed.

Assumptions for valuation at grant date	PSU 2026	PSU 2025
Valuation date	1.7.2025	1.2.2025
Date of grant	1.7.2025	1.2.2025
Share price on grant date	CHF 238.60	CHF 319.20
Fair value	CHF 273.93	CHF 346.86
End of restriction period	30.06.2030	31.1.2030
Performance conditions	Total shareholder return (TSR)	Total shareholder return (TSR)
TSR performance period	1.7.2025-31.8.2028	1.2.2025 - 31.3.2028
TSR comparator group	Swiss Leader Index (SLI)	Swiss Leader Index (SLI)

Restricted share units (RSUs)

Under the EEAP grants 2020 to 2026, entitled employees have been granted RSUs. The value of an RSU is equal to the market price of Sonova Holding AG shares on the SIX Swiss Exchange on the grant date, adjusted for the fair value of expected dividends, as RSUs are not entitled to dividends. The fair value of a RSUs granted on 1 February 2026 amounted to CHF 199.97 (fair value of grant 1 February 2025 CHF 307.01). RSUs entitle the holder to one share per RSU after the vesting period. Upon vesting of the RSUs, the respective shares are either created out of the conditional share capital or treasury shares are used. The cost of the RSUs granted is expensed over their vesting period. Assumptions are made regarding the forfeiture rate which is adjusted during the vesting period to ensure that only vested amounts are expensed.

Restricted shares

In addition to the PSUs granted in respect to the EEAP 2026 and 2025, restricted shares have been granted to the Chairman of the Board of Directors as well as to the other members of the Board of Directors in the financial year 2025/26 and 2024/25. These shares are entitled to dividends and are restricted for a period of 36 months for the financial year 2025/26. For the financial year 2024/2025, they are restricted for a period of 64 months (Chairman) and 52 months (other members of the Board of Directors), respectively. The fair value of a restricted share granted on 1 February 2026 amounted to CHF 211.50 (fair value of grant 1 February 2025 CHF 319.20).

The costs for the restricted shares granted to the members of the Board of Directors have been fully expensed in the 2025/26 financial year as these shares have no vesting period.

Changes in outstanding PSUs/RSUs/Restricted shares:	2025/26				2024/25			
	Number of PSUs	Number of RSUs	Number of restricted shares	Total	Number of PSUs	Number of RSUs	Number of restricted shares	Total
Balance 1 April	24,168	174,849	41,293	240,310	33,270	189,424	39,028	261,722
Granted	1,540	73,150	7,041	81,731	6,044	49,558	5,668	61,270
Subject to holding period (PSUs)	-	-	1,644	1,644	-	-	7,956	7,956
Settled	(1,979)	(47,046)	(15,334)	(64,359)	(9,565)	(48,086)	(11,359)	(69,010)
Forfeited	(5,680)	(14,310)	-	(19,990)	(5,581)	(16,047)	-	(21,628)
Balance 31 March	18,049	186,643	34,644	239,336	24,168	174,849	41,293	240,310

Accounting policies

The Board of Directors of Sonova Holding AG, the Executive Committee, and certain management and senior employees of other Group companies participate in equity compensation plans. The fair value of all equity compensation awards granted to employees is determined at the grant date and recorded as an expense over the vesting period. The expense for equity compensation awards is charged to the appropriate income statement heading within the operating result and an equivalent increase in equity (for equity-settled compensation) or financial liability (for cash-settled compensation) is recorded. In the case of cash-settled compensation, until the liability is settled, it is revalued at each reporting date, recognizing changes in the fair value in the income statement.

7.5 Events after the balance sheet date

There have been no material events after the balance sheet date.

7.6 List of significant companies

Company name	Activity	Domicile (country)	Share/paid-in capital ¹⁾ Local currency 1,000	Shares held
Switzerland				
Sonova Holding AG	A	Stäfa	CHF 2,981	100%
Sonova AG	A, B, C, D	Stäfa	CHF 2,500	100%
Advanced Bionics AG	A, B	Stäfa	CHF 4,350	100%
Sonova Consumer Hearing Switzerland AG	A, B	Stäfa	CHF 1,000	100%
EMEA (excluding Switzerland)				
Boots Hearing Care Ltd.	B	Conwy (UK)	GBP 0 ²⁾	51%
SOD Invest SAS	A	Cahors (FR)	EUR 60,000	100%
Sonova Audiological Care Austria GmbH	B	Wals-Himmelreich (AT)	EUR 450	100%
Sonova Audiological Care France SAS	B	Cahors (FR)	EUR 60,000	100%
Sonova Audiological Care Italia S.r.l	B	Milan (IT)	EUR 1,166	100%
Sonova Audiological Care Nederland B.V.	B	Rotterdam (NL)	EUR 31	100%
Sonova Audiological Care Polska Sp.z.o.o.	B	Lodz (PL)	PLN 678	100%
Sonova Consumer Hearing GmbH	A, B	Wedemark-Hannover (DE)	EUR 25	100%
Sonova Deutschland GmbH	B	Fellbach (DE)	EUR 41	100%
Sonova France S.A.S.	B	Bron-Lyon (FR)	EUR 1,000	100%
Sonova Ibérica S.A.U.	B	San Vicente del Raspeig (ES)	EUR 7,000	100%
Sonova Regional Center South Europe, S.L.	C	San Vicente del Raspeig (ES)	EUR 300	100%
Sonova Retail Belgium NV	B	Groot-Bijgaarden(BE)	EUR 8,999	100%
Sonova Retail Deutschland GmbH	B	Dortmund (DE)	EUR 1,000	100%
Sonova UK Ltd.	B	Warrington (UK)	GBP 2,500	100%

Activities:

^A Holding/Finance: The entity is a holding or finance company.

^B Sales: The entity performs sales and marketing activities.

^C Production: This entity performs manufacturing for the Group.

^D Research: This entity performs research and development activities for the Group.

¹⁾ Share/paid-in capital may not reflect the taxable share/paid-in capital amount and does not include any paid-in surplus.

²⁾ GBP 133

Company name	Activity	Domicile (country)	Share/paid-in capital ¹⁾ Local currency 1,000	Shares held
Americas				
Advanced Bionics Corp.	A	Valencia (US)	USD 1	100%
Advanced Bionics LLC	B, C, D	Valencia (US)	USD 0 ²⁾	100%
Alpaca Group Holdings, LLC	A	Delaware (US)	USD 298,893	100%
Connect Hearing Inc.	B	Aurora (US)	USD 0 ³⁾	100%
Development Finance Inc.	A	Aurora (US)	USD 0 ⁴⁾	100%
National Hearing Services Inc.	B	Kitchener (CA)	CAD 0 ²⁾	100%
Sonova Canada Inc.	B	Mississauga (CA)	CAD 0 ²⁾	100%
Sonova Consumer Hearing USA LLC	B	Old Lyme (US)	USD 38,191	100%
Sonova do Brasil Produtos Audiológicos Ltda.	B	Sao Paulo (BR)	BRL 120,379	100%
Sonova North American Operations Center, S.A. de C.V.	C	Monterrey, Nuevo León (MX)	MXN 10	100%
Sonova United States Hearing Instruments, LLC	A	Aurora (US)	USD 0 ²⁾	100%
Sonova USA, Inc.	B	Aurora (US)	USD 63,608	100%
Asia/Pacific				
Hubei Hysound Health Technology Corp. Ltd.	B	Wuhan (CN)	CNY 1,000	100%
Shanghai Chengting Technology Corp. Ltd	B	Shanghai (CN)	CNY 18,871	100%
Sonova (Shanghai) Co., Ltd.	B	Shanghai (CN)	CNY 20,041	100%
Sonova Audiological Care Australia Pty. Ltd	B	NSW (AU)	AUD 184,016	100%
Sonova Audiological Care New Zealand Ltd	B	Auckland (NZ)	NZD 20,450	100%
Sonova Australia Pty Ltd	B	Norwest (AU)	AUD 10,475	100%
Sonova Hearing (Beijing) Co., Ltd	B	Beijing (CN)	CNY 44,932	100%
Sonova Hearing (Suzhou) Co., Ltd.	C	Suzhou (CN)	CNY 46,249	100%
Sonova Operation Center Vietnam Co., Ltd.	C	Binh Duong (VN)	VND 36,156,000	100%

Activities:

^A Holding/Finance: The entity is a holding or finance company.

^B Sales: The entity performs sales and marketing activities.

^C Production: This entity performs manufacturing for the Group.

^D Research: This entity performs research and development activities for the Group.

¹⁾ Share/paid-in capital may not reflect the taxable share/paid-in capital amount and does not include any paid-in surplus.

²⁾ Without par value

³⁾ USD 1

⁴⁾ USD 10

7.7 Other accounting policies

Investments in subsidiaries

Investments in subsidiaries are fully consolidated. These are entities over which Sonova Holding AG directly or indirectly exercises control. Control exists when the Group is exposed, or has rights, to variable returns from its relationship with an entity and has the power to affect those returns. Control is presumed to exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity unless, in exceptional circumstances, it can clearly demonstrate that such ownership does not constitute control. For the consolidated entities, 100% of assets, liabilities, income, and expenses are included. Non-controlling interests in equity and net income or loss are shown separately in the balance sheet and income statement. Changes in the ownership interest of a subsidiary that do not result in a loss of control will be accounted for as an equity transaction. Hence, neither goodwill nor any gains or losses will result.

Group Companies acquired during the year are included in the consolidation from the date on which control over the company transferred to the Group. Group companies divested during the year are excluded from the consolidation as of the date the Group ceased to have control over the company. Intercompany balances and transactions (including unrealized profit on intercompany inventories) are eliminated in full.

Related parties

A party is related to an entity if the party directly or indirectly controls, is controlled by, or is under common control with the entity, has an interest in the entity that gives it significant influence over the entity, has joint control over the entity or is an associate or a joint venture of the entity. In addition, members of the Board of Directors and the Executive Committee or close members of their families are also considered related parties as well as post-employment plan organizations (pension funds) for the benefit of Sonova employees. No related party exercises control over the Group.



Report of the statutory auditor to the General Meeting of Sonova Holding AG

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Sonova Holding AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 March 2026, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 96 to 164) give a true and fair view of the consolidated financial position of the Group as at 31 March 2026 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities, as well as those of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the consolidated financial statements.

Goodwill

Area of focus	Our audit response
<p>As of 31 March 2026, the Group has goodwill of CHF 2,284.2 million representing 41% of the Group’s total assets and 87% of the Group’s total equity. Per note 3.5, goodwill is tested for impairment at least annually. In performing the impairment analysis, management applies considerable judgment in respect of future market and economic conditions, such as economic growth, expected inflation rates, demographic developments, expected market share, revenue and margin development of the cash generating units (CGUs) to which goodwill has been allocated. Changes in these assumptions might lead to a change in the carrying value of goodwill.</p> <p>We focused on this area given the significant judgment applied in the assessment process.</p>	<p>We assessed and tested the assumptions, including weighted average cost of capital (WACC), methodologies and technical input parameters for the valuation model applied by the Group. We involved our internal valuation specialists to assist us with these audit procedures. In addition, we evaluated the cash flow projections for the CGUs by performing a retrospective assessment of the accuracy of management’s past projections and analyzing management’s business forecasts. In particular, we focused on the sensitivity in the available headroom of the CGUs and whether reasonably possible changes in assumptions could cause the carrying amount of the CGUs to exceed its recoverable amount.</p> <p>Our audit procedures did not lead to any reservations regarding the carrying value of goodwill.</p>

Provisions for product liabilities

Area of focus	Our audit response
<p>As of 31 March 2026, the Group has provisions for product liabilities of CHF 36.5 million. Per note 3.7, provisions for product liabilities mainly relate to the Advanced Bionics voluntary field corrective action regarding cochlear implant products in 2020. Cost includes replacement products, medical expenses, compensation for actual damages as well as legal fees.</p> <p>We focused on this area given the uncertainty in the assumptions and estimates of the provisions, as it largely depends on the outcome of administrative and legal proceedings.</p>	<p>We assessed management’s process for the identification and evaluation of claims and analyzed the calculation models to determine the amount of the provisions for product liabilities. We tested the mathematical accuracy of the model, assessed key input factors such as number of devices in the market, failure rates, claim rates and costs per case. We enquired with the Group’s legal counsel about disputes in relation to product liabilities and analyzed responses from legal letters obtained from third-party legal representatives. We also reviewed the Group’s disclosures made in the consolidated financial statements.</p> <p>Our audit procedures did not lead to any reservations regarding the provisions for product liabilities.</p>

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Zurich, 13 May 2026

Ernst & Young Ltd

Martin Mattes

Licensed audit expert
(Auditor in charge)

Philippe Schlatter

Licensed audit expert

Financial statements of Sonova Holding AG

Income statement

CHF million	Notes	2025/26	2024/25
Income			
Investment income		314.2	483.0
Financial income	2.1	155.4	29.0
Total income		469.6	512.0
Expenses			
Administration expenses		(10.6)	(10.0)
Other expenses		(0.8)	(0.7)
Depreciation and amortization		(2.6)	(0.1)
Financial expenses	2.1	(176.0)	(53.1)
Direct taxes		(0.1)	(0.2)
Total expenses		(190.2)	(64.1)
Net profit for the year		279.4	447.9

Balance sheet

Assets CHF million	Notes	31 March 2026	31 March 2025
Cash and cash equivalents		103.6	73.8
Financial assets		80.0	75.0
Other receivables			
- Third parties		6.2	0.4
- Group companies		8.9	12.0
Prepaid expenses		0.1	0.1
Total current assets		198.7	161.4
Financial assets	2.2		
- Third parties		1.2	1.2
- Group companies		1,334.8	1,798.3
Investments	2.3	730.6	448.1
Total non-current assets		2,066.6	2,247.6
Total assets		2,265.3	2,408.9
Liabilities and shareholders' equity CHF million			
	Notes	31 March 2026	31 March 2025
Trade account payables			
- Third parties		0.2	0.3
Short-term interest-bearing liabilities			
- Third parties		108.0	4.8
Bonds	2.4	0.0	358.6
Other short-term liabilities to third parties		0.2	2.5
Accrued liabilities		1.7	14.8
Total short-term liabilities		110.1	381.0
Bonds	2.4	1,300.0	1,150.0
Other long-term liabilities to third parties		(0.5)	(0.7)
Total long-term liabilities		1,299.5	1,149.3
Total liabilities		1,409.6	1,530.3
Share capital		3.0	3.0
Statutory retained earnings		1.8	1.8
Treasury shares	2.5	(45.6)	(5.6)
Balance carried forward		617.2	431.6
Net profit for the year		279.4	447.9
Total shareholders' equity		855.8	878.6
Total liabilities and shareholders' equity		2,265.3	2,408.9

Notes to the financial statements of Sonova Holding AG as of 31 March 2026

1. General information

The financial statements of Sonova Holding AG, with registered office in Stäfa, comply with the requirements of Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations, 'SCO'). The company does not have any employees (previous year: none).

2. Accounting principles

2.1 Financial income/expenses

Financial income/expenses consists of gains and losses from sale/transfer of shares in relation to long-term incentive plans, realized/unrealized foreign exchange gains and losses as well as interest income/expenses.

2.2 Financial assets

Financial assets contain loans to third parties as well as to Group companies and are recognized at cost less adjustments for foreign currency losses and impairment of value. Loans granted in foreign currency are translated at balance sheet date.

2.3 Investments

Investments consist mainly of participations in fully consolidated Group companies. They are subject to individual valuation.

2.4 Bonds

Bonds are valued at nominal value. Any bond premium/discount is accrued/capitalized and released/amortized linearly over the term.

2.5 Treasury shares

Treasury shares are recognized at cost and deducted from shareholders' equity. The gain or loss from sale is recognized in the income statement as financial gain or financial loss.

3. Information on income statement and balance sheet items

3.1 Bonds

As of 31 March 2026, the Group has the following bank loans/bonds outstanding:

Financial liabilities	Carrying amount (CHF million)	Currency	Nominal value	Interest rate	Maturity
Bank loan (credit facility)	103.9	USD	130	4.04%	n/a
Fixed-rate bond	299.8	CHF	300	0.75%	6 October 2028
Fixed-rate bond	199.4	CHF	200	1.05%	19 February 2029
Fixed-rate bond	99.9	CHF	100	0.00%	11 October 2029
Fixed-rate bond	199.7	CHF	200	1.95%	12 December 2030
Fixed-rate bond	249.9	CHF	250	1.40%	19 February 2032
Fixed-rate bond	149.6	CHF	150	0.93%	6 October 2033
Fixed-rate bond	99.8	CHF	100	0.40%	11 October 2034

3.2 Treasury shares

Treasury shares held by Sonova Holding AG Number/CHF million

	Number	Treasury shares at cost
Balance 1 April 2025	18,825	5.6
Purchase of treasury shares	290,000	63.1
Sale / Transfer of treasury shares	(86,618)	(20.1)
Loss from sale of treasury shares		(3.1)
Balance 31 March 2026	222,207	45.6

3.3 Contingent liabilities

CHF million	31 March 2026	31 March 2025
Guarantees given in respect of rental obligations of Group companies	1.1	1.7
Guarantees given in respect of bank loans of Group companies	64.5	0.0
Guarantees given in respect of insurances of Group companies	5.0	0.0

The Swiss Sonova entities form a VAT group and, hence, every company participating in the group is jointly and severally liable for VAT debt of other group participants. Further Sonova Group companies participating in the cash pool are jointly and severally liable for any debit position or outstanding overdraft in connection with them.

3.4 List of investments

Company name	Activity	Domicile	Share/paid-in capital ¹⁾ Local currency 1,000	Shares held by Sonova Holding
Switzerland				
Sonova AG	A,B,C,D	Stäfa	CHF 2,500	100%
Sonova Communications AG	B, C, D	Murten	CHF 500	100%
Verve Hearing Systems AG	A	Stäfa	CHF 100	100%
EMEA (excluding Switzerland)				
Sonova Belgium NV	A, B	Asse Zellik (BE)	EUR 15,311	70% ²⁾
Sonova Deutschland GmbH	B	Fellbach (DE)	EUR 41	85% ²⁾
Sonova Denmark A/S	B	Middelfart (DK)	DKK 14,182	78% ²⁾
Sonova Ibérica S.A.U.	B	San Vicente del Raspeig (ES)	EUR 7,000	100%
Sonova France SAS	B	Bron-Lyon (FR)	EUR 1,000	30% ²⁾
SCI Du Triangle De Bron	A	Bron-Lyon (FR)	EUR 46	100%
Sonova Norway AS	B	Oslo (NO)	NOK 3,708	49% ²⁾
Sonova Polska Sp. Z o.o.	B	Warsaw (PL)	PLN 100	100%
Sonova RUS LLC	B	Moscow (RU)	RUB 4,000	100%
Sonova UK Ltd.	B	Warrington (UK)	GBP 2,500	100%
Boots Hearing Care Ltd.	B	Llandudno (UK)	GBP 0 ³⁾	51%

For significant indirect investments refer to Note 7.6 of the consolidated financial statements of Sonova Holding AG.

Description:

^A Holding/Finance: The entity is a holding or finance company.

^B Sales: The entity performs sales and marketing activities for the group.

^C Production: This entity performs manufacturing for the group.

^D Research: This entity performs research and development activities for the group.

¹⁾ Share/paid in capital may not reflect the taxable share/paid-in capital amount and does not include any paid-in surplus.

²⁾ The remaining shares are held by a subsidiary of Sonova Holding AG.

³⁾ GBP 133

Company name	Activity	Domicile	Share/paid-in capital ¹⁾ Local currency 1,000	Shares held by Sonova Holding	
Americas					
Sonova Canada Inc.	B	Mississauga (CA)	CAD	0 ³⁾	85% ²⁾
Sonova Mexico Soluciones S.A. de C.V.	B	Ciudad de Mexico (MX)	MXN	94,050	85% ²⁾
AudioNova Mexico S.A. de C.V.	B	Ciudad de Mexico (MX)	MXN	66,050	99% ²⁾
Sonova United States Hearing Instruments, LLC	B	Aurora (US)	USD	0 ³⁾	73% ²⁾
Asia/Pacific					
Sonova Hearing (Suzhou) Co., Ltd.	C	Suzhou (CN)	CNY	46,249	100%
Sonova (Shanghai) Co., Ltd	B	Shanghai (CN)	CNY	20,041	80% ²⁾
Sonova Hearing India Pvt. Ltd.	B	Mumbai (IN)	INR	459	56% ²⁾
Sonova Korea Ltd.	B	Seoul (KR)	KRW	50,000	100%
Sonova New Zealand (Wholesale) Ltd.	B	Auckland (NZ)	NZD	250	100%
Sonova Singapore Pte. Ltd.	B	Singapore (SG)	SGD	250	100%
Sonova Taiwan Pte. Ltd.	B	Zhonge City (TW)	TWD	3,100	100%
Sonova Operation Center Vietnam Co., Ltd.	C	Thuan An (VN)	VND	36,156,000	100%
Sonova Vietnam Company Limited	B	Ho Chi Minh City (VN)	VND	2,088,000	70% ²⁾

For significant indirect investments refer to Note 7.6 of the consolidated financial statements of Sonova Holding AG.

Description:

^B Sales: The entity performs sales and marketing activities for the group.

^C Production: This entity performs manufacturing for the group.

¹⁾ Share/paid in capital may not reflect the taxable share/paid-in capital amount and does not include any paid-in surplus.

²⁾ The remaining shares are held by a subsidiary of Sonova Holding AG.

³⁾ Shares without par value

3.5 Significant shareholders

The following overview shows the significant shareholders as of 31 March 2026 based on shareholdings recorded in the share register and notifications on the SIX Swiss Exchange online reporting platform. Significant shareholders may also hold non-registered shares.

	2026 ¹⁾		2026 ²⁾		2025 ¹⁾		2025 ²⁾	
	No. of shares	In %	No. of shares	In %	No. of shares	In %	No. of shares	In %
Beda Diethelm and Annamaria Diethelm-Pandiani ³⁾	6,712,923	11.26	6,712,878	11.26	6,712,878	11.26	6,712,878	11.26
Family of Hans-Ulrich Rihs ^{3), 4)}	3,683,649	6.18	3,683,649	6.18	3,683,649	6.18	3,683,649	6.18
BlackRock, Inc.	3,334,293	5.10	3,334,293	5.10	3,334,293	5.10	3,334,293	5.10
UBS Fund Management (Switzerland) AG	3,263,184	5.48	3,263,184	5.48	3,263,184	5.48	3,263,184	5.48
MFS Investment Management ⁶⁾	1,847,415	3.02	1,847,415	3.02	1,847,415	3.02	1,847,415	3.02
T. Rowe Price Associates, Inc.	1,791,406	3.00	3,025,893	5.08	3,025,893	5.08	3,025,893	5.08

¹⁾ Or at the last reported date if shareholdings are not registered in the share register.

²⁾ On the basis of the shares of Sonova Holding AG registered in the commercial register at the last reported date which may differ.

³⁾ Beda Diethelm and Hans-Ulrich Rihs were already shareholders before the Initial Public Offering in November 1994. There are no shareholders' agreements among these individuals and they can trade freely.

⁴⁾ Hans-Ulrich Rihs, Gabriela Rihs and Stefan Rihs as a group jointly control 3,683,649 registered shares (corresponding to 6.18% of total Sonova share capital) pursuant to the last disclosure notice. These shares were previously controlled by Hans-Ulrich Rihs as a single shareholder.

⁵⁾ The Capital Group Companies, Inc. are held by the following direct or indirect holders: Capital Research and Management Company, Los Angeles, US; Capital International Sarl, Geneva, CH; Capital International Limited, London, GB; and Capital International, Inc., Los Angeles, US.

⁶⁾ MFS Investment Management, formerly known as Massachusetts Financial Services, is held by Sun Life Financial Inc. which is traded on the TSX, NYSE and PSE (ticker symbol SLF).

3.6 Shareholdings and participations

Sonova Holding AG granted the following number of shares and options as part of the employee participation plans.

1 April to 31 March, CHF million	2025/26 ¹⁾				2024/25 ¹⁾			
	Shares		Options (incl. SARs)		Shares		Options (incl. SARs)	
	Number (units)	Fair Value	Number (units)	Fair Value	Number (units)	Fair Value	Number (units)	Fair Value
Board of Directors	7,041	1.5			5,668	1.8		
Executive Committee	1,540	0.4	12,490	0.7	6,044	2.1	32,640	2.6
Employees	73,150	14.6	117,409	5.2	49,558	15.2	66,862	5.3
Total	81,731	16.5	129,899	5.8	61,270	19.1	99,502	7.9

¹⁾ For further details see also Note 7.4 in the consolidated financial statements.

For further details to shareholdings in the company by members of the Board of Directors and by members of the Executive Committee, in accordance with Swiss Code of Obligation article 663c, refer to the compensation report of Sonova Holding AG.

3.7 Events after the balance sheet date

There have been no material events after the balance sheet date.

Appropriation of available earnings

As proposed by the Board of Directors to the Annual General Shareholders' Meeting of 16 June 2026:

CHF million	31 March 2026
Balance carried forward from previous year	617.2
Net profit for the year	279.4
Total available earnings	896.6
Dividend distribution ¹⁾	(279.2)
Balance to be carried forward	617.4

¹⁾ If the Annual General Shareholders' Meeting approves the proposed appropriation of available earnings, a gross dividend of CHF 4.70 per registered share of CHF 0.05 will be paid out (previous year: CHF 4.40).



Report of the statutory auditor to the General Meeting of Sonova Holding AG

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Sonova Holding AG, which comprise the balance sheet as at 31 March 2026, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 169 to 175) comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the “Auditor’s responsibilities for the audit of the financial statements” section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the financial statements.

Valuation of investments in subsidiaries

Area of focus	Our audit response
As of 31 March 2026, investments in subsidiaries of the Company amounted to CHF 730.6 million and represent 32% of total assets. Investments in subsidiaries are valued at historical cost less any impairment of value. The Company values investments in subsidiaries individually (single-asset-valuation principle). Refer to note 2.3 (Investments) in the financial statements for further details.	Our audit procedures included understanding the Company’s investment in subsidiaries impairment testing process and the determination of key assumptions. We evaluated the Company’s impairment testing model and key assumptions. We further corroborated the Company’s key assumptions applied based on internally and externally available evidence and underlying data. Our audit procedures did not lead to any reservations relating to the valuation of investments in subsidiaries.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the compensation report and our auditor’s reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Zurich, 13 May 2026

Ernst & Young Ltd

Martin Mattes
Licensed audit expert
(Auditor in charge)

Philippe Schlatter
Licensed audit expert

Investor information

Financial calendar

June 16, 2026

General Shareholders' Meeting of Sonova Holding AG

November 17, 2026

Publication of the half-year results as of September 30, 2026

May 12, 2027

Publication of the full-year results as of March 31, 2027

June 15, 2027

General Shareholders' Meeting of Sonova Holding AG

Financial information

Corporate & ad hoc news

Annual Reports

Semi-Annual Reports

IR presentations

www.sonova.com/en/investors

Information on the General Shareholders' Meeting

Invitation and agenda

General Shareholders' Meeting presentations

General Shareholders' Meeting minutes

www.sonova.com/en/AGM

IR online news service

IR News Service

www.sonova.com/en/services-and-contacts

Capital structure and shareholder rights

Share data

www.sonova.com/en/investors/share-data

Shareholder structure

www.sonova.com/en/investors/shareholder-structure

Shareholder participation rights

www.sonova.com/en/investors/shareholder-participation-rights

Regulations and principles

Articles of Association

Organizational Regulations

Rules on Board Operations and Procedures

Committee Charters

Code of Conduct

Supplier Principles

www.sonova.com/en/regulations-principles

Contact form

www.sonova.com/en/services-and-contacts

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